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THE WEATHER — PARIS: Saturday, cloudy, possible rain. Temp. -17 to 12°. Sunday, cloudy. LONDON: Saturday, cloudy, Temp. 6-8°. Sunday, overcast with rain. Temp. 13-14°. FRANKFURT: Saturday, cloudy, Temp. -13 to 17°. NEW YORK: Saturday, fair, Temp. -4 to 12°. ADDITIONAL WEATHER DATA — PAGE 12

No. 30,800  
Serials

# INTERNATIONAL Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

PARIS, SATURDAY-SUNDAY, FEBRUARY 27-28, 1982

Established 1887

## U.S. Is Reported Taking Steps to Ban Libyan Oil Imports

By Don Oberdorfer  
*Washington Post Service*

WASHINGTON — The Reagan administration is taking steps to ban importation of Libyan oil and to halt the sale of U.S. oil production equipment in that country, informed sources say.

The oil boycott, which would be the second phase of the U.S. campaign against Moamer Qadhafi, is expected to take effect within a month, after discussions are held with U.S. oil companies, European nations and members of Congress, a knowledgeable source said Thursday.

Another source said final decisions depended on "things to be done" in the days ahead, an apparent reference to the consultations. [The deputy press secretary at the White House, Larry Speakes, said Friday that the president was reviewing "a number of options" but that "no final decisions have been made," The Associated Press reported. He said that about 90 percent of the Americans in Libya had left since the administration began urging them to leave and that 150 or fewer remained.]

The economic actions, especially the oil boycott, have been under discussion for several months. They were the subject of widespread public and political speculation last year amid administration reports that a Libyan "hit squad" had been sent to assassinate U.S. officials.

### Reagan Allegations

There was no indication that the latest U.S. action was prompted by a renewal of "hit squad" reports or other recent steps by Col. Qadhafi. The new measures continue a long-term Reagan program of opposing Col. Qadhafi who, the administration says, has been supporting international terrorism and working as a surrogate of the Soviet Union.

First word of the decisions came from Middle East Policy Survey, a newsletter published here. In an article being published Friday, the newsletter says that the decisions were made Thursday afternoon in a meeting of the National Security Council.

Libya, once the third-ranking source of imported oil for the United States, is now a relatively minor source, providing about 150,000 barrels daily in the present oil glut and U.S. recession. Oil industry experts said Thursday that a U.S. boycott probably would not cause major difficulties for the U.S. economy.

By the same token, it was uncertain that a U.S. unilateral boycott would have a serious economic effect on Libya, since its oil could be sold elsewhere.

The political effect in this country and inside Libya could conceivably be greater than the economic impact. "Some serious opposition may be developing to Qadhafi internally," said Henry M. Schuler, a Washington economic consultant and expert on Libya. "An action such as this could give a signal to those within."

### Phase II

Secretary of State Alexander M. Haig Jr. reportedly told senior associates in a staff meeting Jan. 18 that it might be time "to go to Phase II" of the anti-Qadhafi program, which would involve the U.S. boycott of Libyan oil.

At the same meeting, Mr. Haig was reported to have said that Americans would be out of Libya by early February and that that

would be the time to consider another military exercise near Libya. However, there was no report Thursday that the administration had decided on such an exercise. Two Libyan planes were shot down by U.S. fighters during a U.S. naval exercise in the Gulf of Sidra off Libya in August.

About 2,000 to 2,500 Americans, most of them connected with the oil industry, were reported to be in Libya last summer. On Dec. 10, following several National Security Council meetings on the issue, the administration redoubled its appeals for Americans to leave. At that time, about 1,500 Americans were reported in Libya. After the appeals, most of the American oil workers were pulled out.

In today's slack oil market, there does not appear to be much that Col. Qadhafi could do on the petroleum issue to strike back at a U.S. boycott, according to oil industry sources.

Col. Qadhafi reportedly has sought to arrange an embargo of all Arab oil sales to the United States as a visible and powerful gesture of support for him in the struggle with the Reagan administration. But there is no sign according to the sources, that he is gaining converts.

Another factor that may tend to reduce the chance of an explosive reaction by Col. Qadhafi, according to sources, is that he is to become president of the Organization of African Unity this summer and thus is likely to avoid actions that could alarm African nations.

Col. Qadhafi recently withdrew Libya's military forces from Chad at the OAU's request.

A ban on exportation to Libya of oil production equipment would tighten substantially existing U.S. restrictions in this field. But an industry source said it might make "not a lot of difference" other than perhaps forcing Libya to pay more for the same equipment from other sources.

The firms, Merrill Lynch and Shearson-American Express, refused to comment on the investigation, but executives notified the U.S. Embassy in Paris.

About a dozen agents in civilian clothes accompanied by several uniformed policemen seized or photocopied documents, files and other materials Thursday in the firms' offices in central Paris and



Hans Matthöfer



Otto Lambsdorff

## American Brokerage Firms in Paris Raided in Trading Investigation

By Axel Krause  
*International Herald Tribune*

PARIS — French customs authorities have raided the offices of two Paris-based U.S. brokerage firms as part of a crackdown on foreign and French investment and banking groups whose clients may be violating laws that restrict financial transactions abroad, authoritative government sources said Friday.

Although several French banks and investment groups also have been raided in the past several weeks, government sources said, it was the first time in more than 20 years that banking sources could recall a raid being carried out against U.S. firms.

About a dozen agents in civilian clothes accompanied by several uniformed policemen seized or photocopied documents, files and other materials Thursday in the firms' offices in central Paris and

reportedly confiscated the address book of a Shearson executive.

Most of the documents reportedly dealt with clients' transactions, said a Merrill Lynch executive, and a customs official cut off the firm's telephone service while they were making the raid to prevent the placing of calls.

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It was not immediately clear what customs authorities were seeking. Officials in the Budget Ministry, which oversees French customs operations, refused to comment beyond saying that the investigation was "routine."

But authoritative government sources who commented on the condition that they not be identified, said the government of President François Mitterrand has decided to enforce rigorously a 1969 law that prohibits French citizens from trading abroad in stocks, bonds, commodities, options or futures unless the transaction is made through a registered French broker.

The law also requires that such transaction be first approved by the bank of France.

"There has undoubtedly been slippage, quite a lot perhaps, whereby French citizens have gone through certain French or foreign firms to place their funds in the United States or elsewhere," said a government source, adding that since the Socialist electoral victory last May, "we are now applying the law."

To recent weeks, customs authorities have begun similar investigations, with regard to French private and nationalized banks, including Banque de Paris et des Pays-Bas, whose clients and some senior officers have been charged with exchange control violations.

The manner in which the raids on the U.S. firms were conducted was criticized in the Paris banking and investment community.

"It is a frightening experience, with agents and uniformed police swooping down on your office, seizing records, leaving abruptly, and then being told you would be called in about 10 days," said one of a dozen executives interviewed Friday.

The head of another U.S. firm said "Merrill Lynch and Shearson were first and now we are all preparing for another move with regard to all the 20-odd foreign brokerage firms here ... it is not pleasant."

Executives of several other U.S. firms and banks stated that such operations can and regularly carried out by French Customs.

"This is France and this is the way things work here."

Senior government officials acknowledged that the methods used may have been somewhat rough by American standards, but they brushed off allegations by some executives that the investigation had been ordered by the Budget Ministry and that it was specifically directed against foreign firms.

## 2 Bonn Ministers Face Campaign Gifts Probe

By John Vinocur  
*New York Times Service*

BONN — The government was shaken Friday by a prosecutor's announcement that two Cabinet members, the ministers of economics and finance, and Chancellor Helmut Schmidt's chief aide were under investigation on suspicion of having taken bribes.

All the men named by the Bonn state prosecutor in connection with the case, involving the possible acceptance of political contributions in return for corporate tax breaks, denied any illegal activity.

But the announcement focused harsh public attention on the government at a time when it has been severely strained by internal debates on its economic and security programs, and by polls that show the Christian Democratic opposition would likely take power if national elections, scheduled for 1984, were held now.

The high officials named as targets of the investigation were Economics Minister Otto Lambsdorff, of the Free Democratic Party, Finance Minister Hans Matthöfer, of the Social Democratic Party, and State Secretary Manfred Lambsdorff, who is chief of staff in Mr. Schmidt's chancellor.

Asked by a reporter Friday night how he regarded the situation, Mr. Schmidt replied: "My confidence in these men is absolutely unaffected."

Six other men were also being investigated. They are Hans Friedrichs, chief of the Dresdner Bank and a former Free Democratic minister of economics; Rudolf Eberle, the economics minister of the state of Baden-Württemberg and a member of the Christian Democratic Party; a Free Democratic member of parliament, Horst Ludwig Riemer, and three leading officials of the Friedrich Flick group: Friedrich Karl Flick, its executive chairman, Eberhard von Branchitsch, the deputy chairman, and Manfred

Nemitz, a board member of a Flick subsidiary.

The privately owned holding company, Friedrich Flick Industrieverwaltung K.G.A., is at the center of the investigation.

Although a parallel case, involving possible tax evasion on contributions made to political party funds, has been under investigation for months, the specific suspicions of bribery involving members of the government did not become public until Friday. The prosecutor's office said its inquiry would determine whether criminal charges would be pressed, but it gave no indication of how long the investigation would take.

### Announced Resignation

The incident leading to the disclosure was Mr. von Branchitsch's announcement Thursday that he would resign as president-elect of the Confederation of West German Industry in connection with a tax investigation of the Flick group.

Mr. von Branchitsch mentioned the investigators' interest in tax advantages obtained by the Flick group following its sales in 1975 of its 39-percent stake in Daimler-Benz to the Deutsche Bank for 1.9 billion deutsche marks.

At that time, Flick had used 1978 to reinvest the proceeds of the sale under a law that provides for tax relief if the investments are regarded as creating jobs and industrial growth. By the end of 1978, all the investments submitted for approval by Flick, with the exception of the purchase of a 34-percent interest in the U.S. Filter Corp., received official blessing.

All nine of the men under investigation were said to have specifically participated in various aspects of the approval process, but Mr. Lambsdorff was described in a news agency report as having been involved in a single procedure, involving Flick's purchase of the Gerling Konzern, an insurance company.

Allegations Mentioned

The prosecutor's office announced avoids any suggestion of what it believes may have been given in exchange for the tax advantages, but the denials offered by the members of the government mention allegations of money being turned over in political parties.

Mr. Matthöfer said such a deal was never suggested to him. "Whoever maintains otherwise," he said, "or seeks support through a combination of insinuation, questions, photos and so forth is a liar."

Mr. Lambsdorff, who is traveling in the United States, said through a spokesman: "I know of no situation in which such suspicions could be supported. I am waiting for the investigators to provide me the complete details that led to the start of the proceedings so that I can get rid of this monstrous suspicion."

A government spokesman, Lothar Rühl, offered support for the members under investigation and expressed hope that it would proceed at full speed. When he was asked how the government would be affected by the probe, he replied that it saw no reason to replace or limit the activities of those officials under scrutiny.

## 3 Europe Leaders Agree to Counter U.S. Interest Rates

United Press International

ROME — French President François Mitterrand said Friday that France, Italy and West Germany have agreed on unified measures to counter high U.S. interest rates before Europe drifts further into recession.

"There is no doubt ... our three countries are in agreement on the measures to take to bring down our interest rates and, at the same time, precautions to take to resist a fleeing of capital toward the United States," Mr. Mitterrand said after the first of two days of talks with Italian leaders.

Mr. Mitterrand, who met with Italian Premier Giovanni Spadolini and President Sandro Pertini, did not describe the measures agreed on by the three allies. He said they would be announced later.

Before the Rome meeting, Mr. Mitterrand met in Paris with West German Chancellor Helmut Schmidt, and they agreed on joint initiatives to battle the impact of high U.S. interest rates.

European allies for months have argued that U.S. policies have inflated interest rates and the dollar's value abroad, while attracting huge sums of capital out of European countries, hindering economic recovery and raising unemployment levels.



Gen. Jaruzelski sits with ministers during Friday's parliament session. At right is Deputy Premier Roman Malinowski.

## Polish Party Leaders Fully Back Army Rule

By Serge Schmemann  
*New York Times Service*

WARSAW — A two-day meeting of Poland's Communist Party leaders has ended with an qualified endorsement of martial law and an expression of "full support" for Gen. Wojciech Jaruzelski's military regime.

A resolution adopted at the Central Committee meeting, the first since martial law was imposed Dec. 13, and most of the 60 speeches summarized Friday in reports by official press organizations, stuck closely to positions set down by Gen. Jaruzelski in an opening address Wednesday.

They welcomed the calm brought by martial law and heartily denounced internal "opponents of Socialism" and Washington's "anti-Socialism" campaign.

The performance of the Central Committee — along with the compliant tone at a session of the Sejm, or parliament, that opened Friday — were viewed by Western diplomats and Polish analysts as strong evidence of Gen. Jaruzelski's unchallenged control and authority.

### Promotions and Expulsions

The general's strength was illustrated to the near-unanimous votes cast for his two candidates to become alternate members of the party's Politburo. The two new members are the interior minister, Lt. Gen. Czeslaw Kiszczak, and a government economist, Marian Wozniak.

Two members of the Central Committee were expelled. They were Marian Arent, a party leader from Torun, for an "improper attitude" to martial law, and Jan Malinowski, a lecturer at Warsaw University, for refusing to resign from the Solidarity union.

The promotion of Gen. Kiszczak brought to four the number of generals in the Politburo.

and it elevated another close ally of Gen. Jaruzelski to the top levels of political power. Under martial law, the interior Ministry has assumed extensive power for policing and controlling the population.

The debate between party "hard-liners" and "moderates" that has been waged in the press since martial law hardly surfaced at the Central Committee meeting.

National Front

The resolution adopted by the session followed Gen. Jaruzelski's lead in approving a continued search for a "front of national reconciliation," a popular idea of the moderates, to which the party would join with forces like the intelligentsia, the church and a revived, nonpolitical trade union movement.

The resolution also denounced "Solidarity extremists" and the spirit of tolerance that marked a party congress last summer was notably absent.

Deputy Premier Mieczyslaw Rakowski, considered one of Gen. Jaruzelski's top advisers, said martial law was "not the situation on which we can build a vision of Poland at the end of the 20th century." But he also warned that "the fog has not laid down arms."

Mr. Rakowski also argued at length against "squeezing accountants" with the party leadership of the 1970s, suggesting that the government hoped to avoid further action against Edward Gierek, the disgraced party leader widely blamed for Poland's economic plight.

There were no indications that the regime was considering opening negotiations with Solidarity. Delegates unanimously spoke of Solidarity in terms of unqualified condemnation.

Tadeusz Witkowski, a member from Chodziez, struck a common chord when he said: "Unfor-

(Continued on Page 2, Col. 1)



CONFRONTATION — A hostile crowd taunted Bill Wilkinson, Imperial Wizard of the Ku Klux Klan, as he and other Klan members demonstrated in front of a Jacksonville, Fla., courthouse in support of a clerk in the sheriff's office who was fired after Mr. Wilkinson revealed that he was a Klan organizer. The Klansmen then took refuge in the building.

## Soviet Circus Head Reportedly Held in Extortion Case

By Robert Gillette  
*Los Angeles Times Service*

MOSCOW — In a developing scandal, police have arrested the national director of Soviet circuses and confiscated \$1.4 million worth of illicitly obtained diamonds and illegal foreign currency from his apartment, according to Soviet sources.

The sources said Thursday that agents of the MVD (Ministry of Internal Affairs) police arrested Anatoly A. Kolevatov at his apartment Feb. 17 and found a cache of diamonds worth 800,000 rubles along with 200,000 rubles in foreign currency.

The sources, who included office workers at Sovyazgorsk, the national circus directorate, said Mr. Kolevatov had been accused of extorting bribes from circus performers who wanted to join the internationally acclaimed troupes the Soviet Union sends on worldwide tours.

### Deputy Also Arrested

Mr. Kolevatov's deputy, identified as Viktor V. Gorsky, was reportedly arrested Thursday on similar charges of corruption.

As director general of Sovyaz-

### \$1.4 Million in Gems, Illegal Currency Found in Home

gosirk, an agency under the Ministry of Culture, Mr. Kolevatov oversees about 20,000 employees, including 6,000 entertainers in more than 80 circuses, ice ballets and traveling zoos across the country.

However, his salary is said to be far lower than would be required to enable him to buy such a large quantity of diamonds, it is reported to be frequently the case here for black market profiteers or bribe-takers to convert the money into gold or jewels, both for convenience and to profit further from appreciation in value.

### 'Boris the Gypsy'

Mr. Kolevatov was said to be a member of the advisory collegium of the Ministry of Culture with a rank equivalent to deputy minister. He is one of the most senior Soviet officials to be accused of corruption since the late minister of culture, Yekaterina Furtseva, was reprimanded in 1974 for using state materials bought at bargain prices to build an ostentatious \$170,000 country home.

She is now the wife of Lt. Gen. Yuri M. Churbanov, sec-

ond-in-command of the MVD police who have arrested Mr. Tsigan — "Boris the Gypsy" — and has long been rumored to be a close friend of Galina Brezhnev, the Soviet leader's 53-year-old daughter. Galina Brezhnev's friendships with circus performers have been a source of gossip among the Soviet elite for more than a decade.

Soviet sources said that Mr. Tsigan was arrested in possession of a large quantity of diamonds, and when asked by police where he obtained them, implicated Galina Brezhnev.

She is said to have denied the accusation, and there is no indication that she is under investigation. Soviet sources speculate that Mr. Tsigan may also have led investigators to Mr. Kolevatov, the circus administrator.

In the early 1970s, Galina Brezhnev married and divorced a circus performer she met at a hotel in the Black Sea resort of Sochi.

She is now the wife of Lt. Gen. Yuri M. Churbanov, sec-

ond-in-command of the Soviet circus network and urged anyone with suggestions for its improvement to telephone the office of Deputy Minister of Culture Georgi A. Ivanov.

Although the notice does not refer to Mr. Kolevatov, his deputy or a police investigation, office workers said it is meant to elicit testimony against the two officials.

"It was very strange," a circus performer said, rubbing his fingers together in the Soviet gesture for a bribe. "Some people with a lot of talent never got to travel abroad. But some with less talent went abroad three times a year or more."

Mr. Kolevatov's third-floor office door was sealed and his nameplate was removed.

Over the last 20 years, sources said, Mr. Kolevatov has held high managerial positions in Moscow's most prestigious theaters, including the Maly Theater, the Bolshoi Theater and the Kremlin Palace of Congresses. Witnesses from all of these theaters have been summoned to MVD headquarters on Petrovka Street for questioning in the Kolevatov case, the sources said.

## U.S. Debates Action on Siberian Gas

*New York Times Service*

WASHINGTON — President Reagan met with his top advisers Friday in what administration officials said was an attempt to resolve a dispute between the State and Defense departments on whether to try to block West European nations from helping construct the proposed Soviet natural gas pipeline.

Officials said the matter was on the agenda of a National Security Council meeting that began Friday afternoon and was likely to last several hours. No statement was expected to be issued afterward.

The 2,800-mile pipeline would supply Western Europe with up to 1,400 billion cubic feet of Siberian natural gas a year at a cost estimated at about \$8 billion a year. The plan is opposed by the United States for fear that the allies would become too dependent on Soviet energy sources and that it would provide the Russians with a windfall of hard currency that could be used for their military buildup.

Since martial law was declared in Poland on Dec. 13, the Reagan administration has been divided on whether to use the Polish situation as an additional reason to press the allies to stop supplying components for the project.

The Defense Department wants Mr. Reagan to issue an order to try to use legal and political means to stop European companies under license to the General Electric Co. from producing parts for gas turbine compressors that GE itself has been barred from supplying under the U.S. sanctions imposed Dec. 29.

Secretary of State Alexander M. Haig Jr. advocates a much softer approach in which the United States would continue to discuss with the allies the pitfalls of the project as seen from Washington.

Because of the dispute, a planned mission to Europe headed by James L. Buckley, undersecretary of state for security assistance, science and technology, has been delayed. A Pentagon official said Thursday that unless the president agrees to try to block the compressor production, there is no point in the mission.

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## WORLD NEWS BRIEFS

### Hijackers Force Plane to Nairobi

*United Press International*

NAIROBI — Hijackers demanding to go to Saudi Arabia seized a plane with 99 passengers over Tanzania on Friday and forced the aircraft to fly to Nairobi for refueling before taking off again.

There were unconfirmed reports that shooting had erupted after the Tanzanian Boeing 737 jetliner landed at Nairobi's Jomo Kenyatta airport and that three persons were killed.

The plane, on a domestic flight when it was hijacked, took off after nearly seven hours on the ground. Officials did not disclose its destination. Earlier, the hijackers had demanded fuel to fly to the city of Jeddah, Saudi Arabia, a distance of 1,600 miles (2,560 kilometers). The identity of the hijackers, their identities and weapons were not immediately known.

### Israel Closes Sinai to Nonresidents

*Reuters*

TEL AVIV — An Israeli military spokesman said Friday that the area of the Sinai still occupied by Israel was closed to all nonresident civilians.

The announcement follows efforts by religious and nationalist extremists to prevent the scheduled Israeli withdrawal from the peninsula April 25. The military spokesman said that the closure had been ordered to prevent more settlers from entering the area.

Earlier Friday, the Sinai town of Yamit and other settlements in northern Sinai were sealed off briefly by the Israeli Army. After the roadblocks were removed, settlers said that they had been told that the operation was the result of a misunderstanding.

### Jury Deliberates in Atlanta Trial

*The Associated Press*

ATLANTA — Jurors began deliberating Friday after final summations by the prosecution and defense in the murder trial of Wayne E. Williams. The free-lance photographer, accused of murdering two young blacks among 28 who were found killed in Atlanta, has pleaded not guilty.

No arrests have been made in the 26 other cases, but prosecutors presented evidence in 10 additional slayings in an attempt to show a pattern of murders. The prosecution said it would seek a life sentence if Mr. Williams, 23, is convicted.

In his summation, Assistant District Attorney Jack Mallard called Mr. Williams a "mad-dog killer" and a "pathological liar" with a split personality who killed "over and over without any apparent motive." Defense lawyer Jim Kitchens countered: "I pray this jury will have the courage not to indulge in the ultimate tragedy of convicting a person who has not been proven guilty."

### Pope Expected to Reprove Jesuits

*The Associated Press*

GROTTAFERRATA, Italy — Jesuit leaders wound up their fourth day of closed-door meetings here Friday and prepared for a Saturday audience with Pope John Paul II, who is "bringing them into line" for being too secular and too political, a Jesuit source said.

The source said the pope would probably give the 100 Jesuit leaders "kind words of encouragement" but would let them know he would like to see more discipline in the order, the largest and most powerful in the church.

The Rev. Paolo Dezza, named by the pope to run the order, has been briefing the leaders of the Society of Jesus on five main topics: secular tendencies, how to work for social justice, fidelity to church teaching, discipline in the order and the training of Jesuits, the source said.

### Hinckley Trial Delayed Indefinitely

*The Associated Press*

WASHINGTON — An appeals court has delayed indefinitely the trial of John W. Hinckley Jr., accused of shooting President Reagan, so prosecutors can have more time to decide whether to challenge a pretrial ruling.

The U.S. Court of Appeals decision Thursday was made six hours after a lower court judge set a trial date of March 9. Prosecutors asked for the postponement, saying the date could have prevented them from seeking review of the ruling Tuesday suppressing key government evidence, a 25-minute oral statement Mr. Hinckley gave on the day of the shooting and handwritten notes taken from his cell in July.

Mr. Hinckley, accused of shooting Mr. Reagan and three others outside a Washington hotel March 30, has pleaded not guilty by reason of insanity.

### Adjournment Seen at Madrid Talks

*The Associated Press*

MADRID — Neutral and nonaligned nations at the Conference on Security and Cooperation in Europe hope by next week to adjourn the meeting, which is deadlocked over the Polish crisis and stinging East-West exchanges, delegates said Friday.

Finnish delegate Richard Muller told the 35-nation conference reviewing the 1975 Helsinki Agreement that the "time has come to consider an adjournment." Diplomats said a suspension motion may be presented by the nonaligned and neutral nations on Wednesday.

A Soviet military expert, Gen. Konstantine Mikhaylov, said Friday that the United States waged a "dirty smear campaign" when it said the Soviet Union had pressured the leaders in Warsaw to impose martial law. U.S. delegate Max M. Kampelman responded that the Soviet Union was dealing in abstractions — talking peace but engaging in oppression at home, in Afghanistan and Poland.

### Colleagues Accuse Spanish General

*Reuters*

MADRID — A senior Spanish general being tried for military rebellion offered to head a government in order to end the siege of parliament during the attempted coup last February, a court-martial was told Friday.

Two staff generals said in written testimony read on the sixth day of the court-martial that Maj. Gen. Alfonso Armada Comyn reluctantly decided to make the offer at the suggestion of Lt. Gen. Jaime Milans del Bosch, the alleged plot leader.

King Juan Carlos I and the army chief of staff rejected the offer, according to the testimony. But Gen. Armada, who was deputy army chief of staff, nevertheless went to parliament to make the proposal in his own name to Lt. Col. Antonio Tejero Molina, whose rebel Civil Guards were holding the government and parliamentarians hostage. He also offered Col. Tejero a plane in which to escape, according to the testimony. Gen. Armada has denied taking part in clandestine meetings to prepare the coup attempt. He is among 32 military officers and a civilian on trial.

### Rule by Military in Poland Strongly Endorsed by Party

*Associated Press*

(Continued from Page 1)

VIENNA — We know today that the activities of Solidarity's leadership consisted of destroying the whole of Poland's economy and the foundations of the Polish Socialist state."

Despite conciliatory references to the Roman Catholic Church by Gen. Jaruzelski, it was he who had been most aware that the guerrillas, who had been interned since the attack, and the people of Kampala, used to years of upheaval and uncertainty, have returned to the streets.

A group of diplomats and journalists were escorted around the barracks by Capt. John Upor, a Ugandan Army officer, who said he had led the government's counterattack. The group was shown men digging foxholes, as if preparing for a further attack, seemed designed as part of a government effort to minimize the impact of the assault.

In an interview, Mr. Obote said he had led the attack a "desperate action" by the guerrillas that had been launched to "satisfy their supporters abroad that they were doing something."

Mr. Obote did not identify the foreign backers, but Mr. Upor said some submachine guns, captured after the attack, bore Arabic inscriptions. Western sources in Nairobi, and Dar es Salaam, Tanzania, had said earlier that Libya was supporting the guerrillas.

Since the attack, he said, the guerrillas had apparently returned to Kampala. However, Western diplomats said the government's vulnerability had been demonstrated by the fact that the guerrillas were able to penetrate the walls of the barracks and Mr. Upor said this was the closest the insurgents had come to penetrating the complex.

Many rounds from the guerrillas' mortars, firing from the steps of a Roman Catholic cathedral on a leafy hill a mile from the barracks, had fallen short, the captain said. Their rocket fire had failed, he said, to penetrate the rusting gates of the barracks. The defences included an antique tank that

who reportedly resigned because so many intellectuals and actors had been interned.

But the dominant tone was sounded by Zbigniew Gertych, who introduced the proposed laws with laudatory references to the calm brought by martial law.

In the interview, Mr. Obote said he had been aware that the guerrillas had moved for a long time.

The tour, during which the diplomats and journalists were shown men digging foxholes, as if preparing for a further attack, seemed designed as part of a government effort to minimize the impact of the assault.

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## Thatcher Government Is Assailed On Higher Target of A-Arms Outlay

By Leonard Downie Jr.  
*Washington Post Service*

LONDON — The Thatcher government came under renewed political attack here this week for spending much more than expected to modernize Britain's independent nuclear deterrent while being forced to economize on conventional arms.

Government officials confirmed that the defense secretary, John Nott, is nearing the end of negotiations to buy the more expensive Trident D-5 submarine-launched strategic nuclear missile system instead of the less advanced Trident C-4 that Prime Minister Margaret Thatcher chose in 1980 to replace Britain's aged Polaris nuclear deterrent.

This became known at the same time that the British Navy's flagship, the aircraft carrier Invincible, was being sold to Australia to raise money for other military needs. The Invincible, Britain's newest and largest carrier, is one of 20 ships that have been offered for sale in an economizing program. Mr. Nott announced last year.

### Debate Revived

Politicians, led by parliamentary rank and file members of Mrs. Thatcher's Conservative Party, military experts, including a former military staff chief, and newspapermen, from the left-of-center *Guardian* to the right-of-center

Daily Mail, criticized the Trident deal and the Invincible sale.

This criticism revived the debate begun last year over whether Britain needs or can afford its own nuclear deterrent when economic constraints are causing a reduction in conventional arms despite increases in military spending.

Mr. Nott responded that the Trident will consume a maximum of 3 percent of the military budget in any one year, beginning in the late 1980s. The major impact of the Trident's cost, currently estimated at more than \$15 million, would be delayed further if the Cabinet, as expected, approves the purchase of the D-5 rather than the C-4, a change made by the Reagan administration for the U.S. Navy. But the larger D-5 missiles, which have a longer range and greater accuracy than the C-4 missiles, are more expensive and require larger, considerably more costly submarines.

Both the increased cost and its delayed impact if Mrs. Thatcher chooses the Trident D-5 could make it easier to cancel the project if the Conservatives are defeated in national elections due within two years. The opposition Labor Party is committed to canceling the Trident and banning all nuclear weapons from Britain while the centrist electoral alliance of the Social Democratic and Liberal parties seeks a less expensive alternative.



United Press International  
The 19,500-ton British aircraft carrier Invincible is to be sold to Australia for its construction cost, £175 million (\$320 million).

other British naval tours east of Suez.

"What they're trying to work out is something that can be presented to our Parliament as a good bargain and to your Congress as a good bargain," said a source familiar with the Trident negotiations.

Mr. Weinberger, who has established a close working relationship with Mr. Nott, also has backed his shrinking of the fleet, despite charges by British and U.S. admirals that it will impair the defense of NATO supply lines across the North Atlantic. British sources said Mr. Weinberger has accepted Mr. Nott's argument that Britain can carry out its anti-submarine warfare role with smaller, cheaper

## Researcher in U.S. Finds Enzyme That May Neutralize Nerve Gases

By Philip J. Hiltz  
*Washington Post Service*

WASHINGTON — An Illinois researcher has discovered an enzyme that can neutralize the deadly nerve gases of both the United States and the Soviet Union, according to a paper to be published March 5 in *Science* magazine.

The enzyme works on both Soman, the nerve agent the Soviet Union has stockpiled, and Sarin, the one the United States has in its arsenal.

If it proves to be effective in tests outside the laboratory, it could be the first noncorrosive, anti-nerve gas material strong enough to detoxify the nerve agents.

### Poison Acts Quickly

Australia is to take possession of the Invincible in 1983 and to buy it at its construction cost, £175 million (\$320 million).

But Mr. Nott said the cost of building and maintaining such ships, as well as protecting them with other warships at sea, made them less practical than smaller, more maneuverable ships capable of anti-submarine warfare.

He said that Britain would use such smaller ships in the North Atlantic and "in the next few years we intend to make particular use of our [remaining] carriers in deployment outside the NATO area."

### 7% Rise Set On Atlantic Airline Fares

By Thomas O'Toole  
*Washington Post Service*

WASHINGTON — Two medical researchers who have worked for six years with animals and humans at the Yale University School of Medicine claim that "recreational" sniffing of the illegal drug cocaine is no more habit-forming or threatening to health than are small doses of alcohol and tobacco.

The pattern of cocaine use behavior is comparable to that experienced by many people with peanuts or potato chips," Drs. Craig Van Dyke and Robert Byck write in the March issue of *Scientific American* magazine. "It may interfere with other activities of the individual, but it may be a source of enjoyment as well."

But, they said, heavy use of cocaine by smoking or injection can be so harmful that use of the drug becomes "enslaving," forcing the user to prefer the drug over anything else in life.

"When a drug like this is overused, it can be intensely destructive in the sense that a user's entire life structure may change," Dr. Byck said in a telephone interview. "When cocaine is taken regularly, it can cause sleeplessness, loss of appetite, hallucinations and paranoia. Injected cocaine or smoked cocaine can make users to enslave that can destroy lives."

In experiments with 30 cocaine

users and at least as many monkeys over a six-year period, the two researchers found that "recreational" users of cocaine who "smell the drug through the nose feel effects that differ dramatically from those experienced by users who frequently inject it into their veins or smoke it in its pure powder form in what is called 'free base."

**Similar to Other Drugs**

Despite the devastation caused when cocaine is smoked and injected, Dr. Van Dyke and Dr. Byck report, that most recreational users cannot tell the difference between cocaine and other drugs such as lidocaine (Xylocaine), procaine (Novocaine) and even some placebos such as sugar and salt that in their powdered form resemble cocaine.

"Our subjects, all experienced cocaine users, could not distinguish a single dose of cocaine taken intra-nasally from the same quantity of the synthetic local anesthetic lidocaine," they write.

"There are withdrawal signs ... but they are quite undramatic when compared with the withdrawal syndromes associated with opiates, barbiturates or alcohol," they write.

They said cocaine users may be paying \$100 a gram for a drug that

## Salvadoran Rebels Battle to Win Over Media

### Insurgents Go on U.S. TV in Bid to Soften Image and Sell the Revolution

By Philip Taubman  
*New York Times Service*

MEXICO CITY — A few minutes before midnight, the two guerrilla leaders from El Salvador and their Mexican hosts broke off the conversation and switched on their home video recorder set.

The opening scenes from the NBC News "Today" show flashed on the screen, recorded earlier from a widely available cable television link to the United States. The two insurgents watched expectantly as they wanted to see come on, an interview with one of the guerrillas' military leaders, Cayetano Carpio.

When the camera moved back to show a guerrilla, dressed in battle fatigues, holding an automatic rifle, the Salvadorans groaned. When Mr. Carpio said that everyone in North America should consider Field Castro, the Cuban leader, an inspiration, one covered his eyes and shook his head in dismay.

A few minutes later, the videotape jumped to images of the "NBC Nightly News," with newsmen Roger Mudd talking about developments in El Salvador. The Salvadorans watched intently.

This incongruous scene, which took place here Wednesday night, represented a small part of the selling of a revolution. In recent months, with increasing sophistication, the leaders of the guerrilla movement in El Salvador have mounted a public relations cam-

paign directed at world opinion in general, and at U.S. public opinion in particular.

"We have to win the war inside the United States," said Hector Oqueli, one of the rebel leaders who viewed the broadcasts Wednesday night. His colleague, Ruben Zamora, added, "We have tried to change our public image."

By drawing on advice from U.S. and Mexican friends and employing the latest technology such as video recorders, the insurgents have brought a little bit of public relations to the violent business of waging revolution.

Their primary goal, the rebels said, was to overcome the pronouncements of the Reagan administration that have portrayed the guerrillas as Soviet and Cuban puppets.

They began with the example of Vietnam. The U.S. media, especially television, "turned public opinion against the war," Mr. Zamora said. About six months ago he added, insurgents forces in El Salvador, known as the Farabundo Marti National Liberation Front, decided to try to improve their image abroad and make known their willingness to end the civil war by negotiation.

One step was to invite U.S. reporters in El Salvador to visit rebel strongholds in the countryside. These visits, which began late last year, generated a series of newspaper articles about the rebels and their supporters.

At the same time, the leaders began to contact editorial writers at major U.S. news-

papers, hoping to persuade them to write more sympathetically about the insurgents.

The most important papers, according to Mr. Zamora, are The New York Times, The Washington Post, the Los Angeles Times, The Miami Herald, The Wall Street Journal, The Boston Globe and the Chicago Tribune. Dozens of smaller papers were approached by American supporters of the Salvadoran revolution, he said.

Television, the guerrilla leaders said, was more difficult to handle. "Television is more important, but it was also our biggest problem," Mr. Zamora said. "They just weren't interested in us for months."

That attitude changed recently, he said. The guerrilla leaders are now trying to capitalize on the change, they said. This Sunday, for example, Manuel Guillermo Ugo, the president of the Democratic Revolutionary Front, the political arm of the guerrilla movement, is scheduled to appear on the NBC News program "Meet the Press."

Before he flies to Washington Saturday, Mr. Ugo will be coached by several Salvadoran and Mexican friends in Mexico City. "We will ask the kind of questions we expect will be asked on the program," said one.

Opposition to the Reagan administration policy in El Salvador, "was not started by us," said Mr. Zamora. "The Catholic Church, for instance, has played an important role. All we have tried to do is make sure that the American public recognizes we are human beings, not monsters."



William French Smith

of health and human services, also appeared before the conference, which attracted fewer than 200 persons.

On Thursday night, Mr. Bush held a reception for the leaders of the two chief sponsors of the annual meeting, the American Conservative Union and Young Americans for Freedom.

President Reagan, Defense Sec-

retary Casper W. Weinberger,

Housing and Urban Development Secretary Samuel R. Pierce, Trans-

portation Secretary Drew L. Lew-

is, Energy Secretary James B. Ed-

wards, Education Secretary Terrel

H. Bell, Jeane J. Kirkpatrick, the

chief delegate to the United Na-

tions, and presidential counselor

Edwin Meese 3d are scheduled to

be there.

The administration's two chief

economic spokesmen, Treasury Sec-

retary Donald T. Regan and

David A. Stockman, director of

the Office of Management and

Budget, canceled scheduled ap-

pearances. Interior Secretary

James G. Watt and Secretary of

State Alexander M. Haig Jr. are

scheduled to appear Saturday.

The chairman of the American

Conservative Union, Rep. Mickey

Edwards, Republican of Okla-

homa, maintained that all the atten-

tion Reagan embodies most of

what we're trying to achieve. I be-

lieve his policies and programs

have begun to put into place the

most basic tenets of the conserva-

tive movement.

But more militant New Right

conservatives criticized Rep. Ed-

wards for allowing the Reagan ad-

ministration to dominate the agen-

da for the meeting, traditionally

the year's largest conservative

gathering.

Howard Phillips, chairman of the

Conservative Caucus, de-

nounced Mr. Smith's speech at one

of the few sessions where New

Right conservatives were sched-

uled to speak. "The point is our

best option is for Ronald Reagan

to succeed, but if that does not good

at all to close our eyes to reality,"

he said.

## Supreme Court Asked to Decide U.S. School-Tax Dispute

By Charles R. Babcock  
*Washington Post Service*

WASHINGTON — The Reagan administration has asked the Supreme Court to settle the political-

ly explosive issue of whether segre-

gated private schools are entitled

to tax exemptions.

But it took the unusual step of

suggesting that the court select an-

other party to defend the Internal

Revenue Service's authority to de-

nry such exemptions.

The administration touched off

a controversy Jan. 8 by announc-

ing that it was reversing the lo-

ng-standing IRS policy, and adminis-

tration officials emphasized Thurs-

day that their decision to pursue

the case did not change their opin-

ion that the IRS had illegally

barred the exemptions since 1970.

The government said in January

that a pending case involving Bob

Jones University in Greenville,

S.C., and the Goldsboro (N.C.)

Christian School should be dis-

missed because the IRS planned to

grant their disputed exemptions.

But an appeals court blocked that

promise last week.

## Price of Pollution

The results of a U.S. study of crop losses from air pollution were announced last week. The National Crop Loss Assessment Network, a federally funded research program, covered only four crops and only one form of pollution — ozone — yet it concluded that the annual losses amount to \$3 billion. (If you thought the problem was too little ozone, rather than too much, you were thinking about ozone in the stratosphere, which protects the Earth from harmful radiation; down in the atmosphere, ozone is a pollutant.)

Though much larger than earlier cost estimates, the \$3-billion figure represents only a fraction of the actual costs of air pollution. It does not include losses of crops other than the four that were studied or indirect losses to pests and disease of crops initially weakened by exposure to the pollutant. Nor did the study cover other kinds of air pollution known to have substantial impacts on farm and forest production. Acid rain, for example, is believed to be costing the timber industry \$1 billion a year. Considering the potential of all the still unmeasured effects, many researchers believe agricultural losses due to air pollution could be around \$10 billion a year.

In releasing the crop loss figures, Democratic Rep. George Brown of California called ozone a "quiet thief." The phrase is a useful reminder that although the losses from air pollution do not show up on anyone's balance sheet, they do impose a substantial dollars-and-cents cost. Yet, because so much is still uncertain, current comparisons of the

costs and benefits of air pollution control must weigh known costs against largely unknown benefits.

There are comparable uncertainties about the costs of other forms of pollution. Generally speaking, as more is learned about its extent and effects, more detrimental effects of pollution become evident. There are exceptions to this. For example, in some areas, controlling nitrogen emissions may make smog worse, rather than better. Still, it is a good guess that today's lack of knowledge about pollution means that its effects are underestimated.

That may have something to do with the cuts the Reagan administration has proposed in the Environmental Protection Agency's research budget. While most federal research programs have sustained only modest cuts, the president's 1983 budget proposes that the EPA's program be cut by \$127 million, almost half — in real terms — of its 1981 level. Air pollution research, including the study that uncovered the ozone losses, would be cut by \$23 million, more than one-third its 1981 level.

The Crop Loss Assessment's findings are just one illustration of why a better understanding is needed of the extent and sources of pollution, its effects and the different methods of controlling it. Some past EPA research programs left a lot to be desired. But if better, not less, environmental regulation is what the administration is after, slashing the research budget is not the way to proceed.

THE WASHINGTON POST.

## Fear for Smokers

The recently released U.S. surgeon general's report on smoking should be required reading for smokers. Previously known associations between smoking and cancer are now clearer; a few new ones turn up, and there is stronger evidence that nonsmokers sharing the same air with smokers may share the ill effects.

Smoking was officially recognized to be the United States' chief preventable cause of death three years ago. That it is a causal factor in cancer of the lung, larynx, mouth and esophagus was also a finding of the 1979 report of the surgeon general. Based on additional evidence, the new report concludes that smoking is not just a cause but a major cause — in the case of lung and larynx cancer, the major cause — of these diseases.

Similarly, the known connection between smoking and bladder, kidney and pancreatic cancers is upgraded from a "significant association" to a "contributory factor." And for the first time in this series of studies, the report cites evidence of an association with cancers of the stomach and cervix.

All in all, smoking accounts for 30 percent of cancer deaths. But though the surgeon general's report deals only with this one risk, cancer is not the chief cause of death from

smoking. That distinction belongs to heart disease, which is the chief cause of all deaths in the United States (cancer is No. 2). Smokers also suffer higher rates of dozens of chronic and acute diseases ranging from emphysema, and peptic ulcer to influenza. Smoking is the chief avoidable risk during pregnancy, and it vastly increases the risk of most occupational exposures. In short, it is such a pervasive health risk that no epidemiological study would be conducted today without questions on smoking history.

Still, more than 50 million Americans smoke. Most know there are risks, though few understand how great they are. Maybe a few, though we hope not very many, believe the Tobacco Institute when it asserts, as it did this week, that "the question is still open" on whether smoking causes cancer.

The real reason there are still so many smokers is that it is so hard to stop for good. Scientists disagree on whether smoking is an addiction comparable to heroin or alcohol addiction, but it is clear that it is more than just a habit. Studies now under way may turn up better methods of helping people to quit permanently. Until then, the best therapy is a healthy dose of good, old-fashioned fear.

THE WASHINGTON POST.

## The Squeal Ruling

The Reagan administration has issued a rule requiring federally funded family planning clinics to notify the parents of patients under 18 when their children are receiving prescription birth control devices.

At about the same time, the Alan Guttmacher Institute released its annual abortion survey. In 1980, 1.55 million legal abortions were performed in the United States. That's more than double the number performed in 1973, the first year of legalized abortions, and a record.

Planned Parenthood, which finances the institute, attributes part of the steady increase to a shift away from the birth control pill and intrauterine devices. The reason is usually health. The government's new squeal ruling is sure to be another.

THE NEW YORK TIMES.

## Photocopiers as Finks

It's bad enough that the world is full of handwriting experts able to finger you because of the way you cross your t's. And typewriter experts will tell that the letter in question was typed on a machine in your possession. Now you've got to make sure your photocopier won't fink.

Of course, you can do what whoever leaked some of President Reagan's 1983 budget did. Noticing a strange line of dots across the top and bottom of each page — it looked suspiciously like a code — the leaker trimmed the papers.

Or you can do what an Interior Department official did before passing along a document the other day: Have it copied in another office. Which is a nuisance because

THE NEW YORK TIMES.

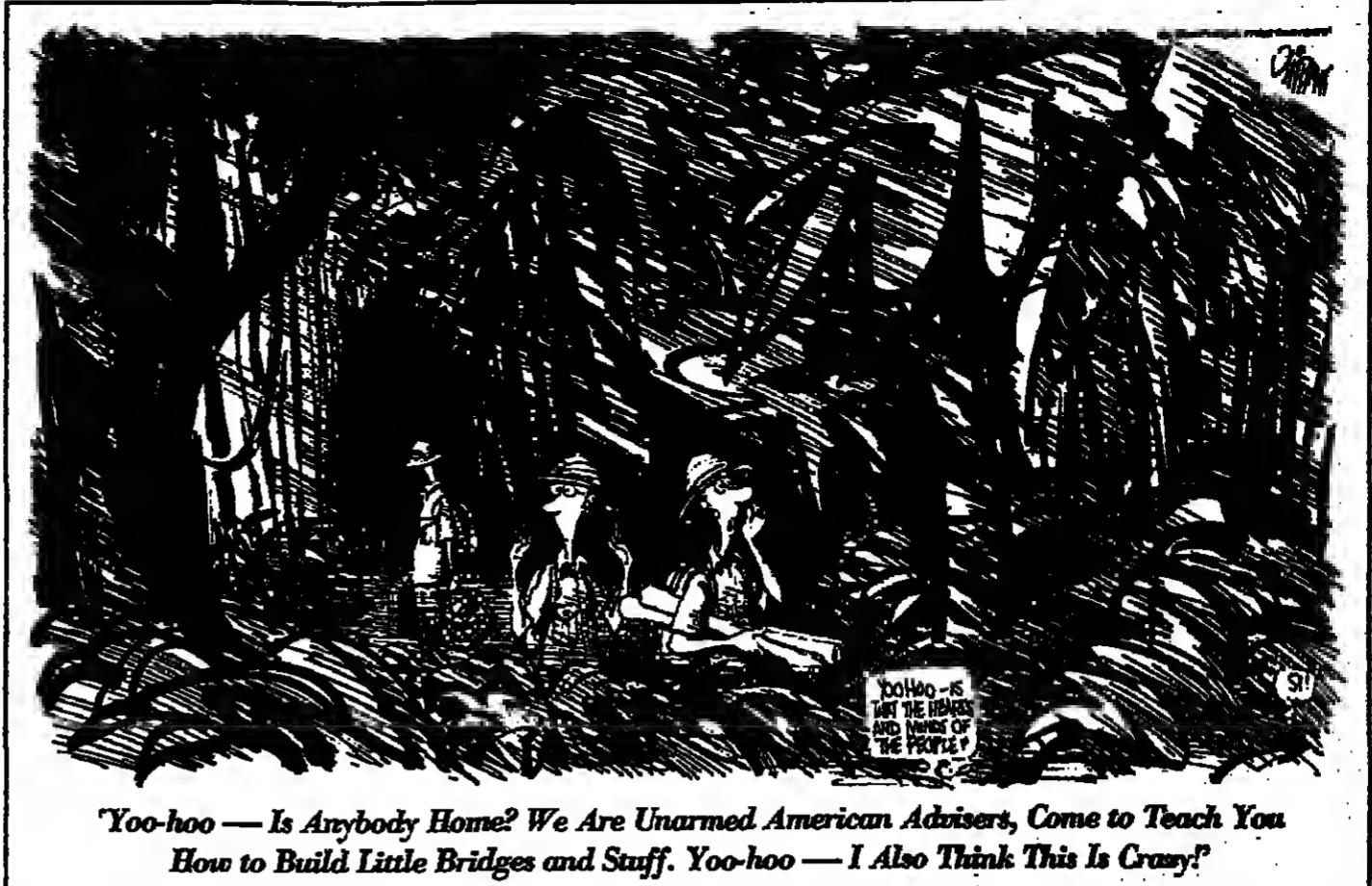
## Feb. 27: From Our Pages of 75 and 50 Years Ago

### 1907: Attack on Duke

ST. PETERSBURG — An attempt was made yesterday on the life of the Grand Duke Nicholas. A few minutes before the arrival of the train in which His Imperial Highness was traveling from Tsarskoye Selo to St. Petersburg, a revolutionary, taking advantage of darkness, deposited a bomb near the imperial pavilion of the railway station. Fortunately, he was surprised by one of the employees of the railway. He managed to get away, but not before he had been recognized as a railway employee recently dismissed. His arrest is therefore nearly certain. Examination by experts showed that the bomb contained enough explosive matter to have destroyed the entire train.

### 1932: Ford Production

DETROIT — Outlining one of the most stupendous production programs ever undertaken by an industrial firm, Henry Ford, automobile manufacturer, has declared he is prepared to "risk everything we have got" in an effort to spur an industrial revival in the United States. The program calls for the employment of 100,000 men with an expenditure of \$32 million monthly and the acquisition of stocks and materials sufficient to produce 1.5 million cars during the year of 1932. Beginning next week the Ford company will plan to buy \$140 million worth of car bodies and place orders for \$47 million worth of steel products. It is planned to keep the production schedule up to 5,000 cars daily.



## Is U.S. Policy Spreading the Cuba Contagion?

By Claiborne Pell

*The writer, a senator from Rhode Island and the ranking Democrat on the Senate Foreign Relations Committee, contributed this article to the Los Angeles Times.*

WASHINGTON — Having just returned from a trip to Central America, I am deeply concerned that the United States may be making the same mistake in dealing with El Salvador and Nicaragua that it made with Cuba two decades ago. By isolating Cuba and acting to subvert the Castro regime, the United States contributed greatly to making Cuba an exporter of a particularly virulent brand of Communism and driving Cuba into the arms of the Soviet Union. In short, U.S. policy helped to create a monster.

The Reagan administration, having all but written off Nicaragua as lost to Communism, is engaged in a fiery campaign to brand that nation as a hemispheric renegade, a stooge of Cuba and a threat to El Salvador, if not to all of Central America. The administration's attempt to isolate Nicaragua and the veiled threats of subversion and a military blockade are ominously reminiscent of the earlier U.S. attitude toward Cuba.

Trends in Nicaragua are certainly bleak, but many basic freedoms persist, as does the possibility of redirecting Nicaragua toward becoming a more pluralistic society. But even if Nicaragua becomes a Marxist state, all is not necessarily lost. Nicaragua could become a mini-Yugoslavia instead of a mini-Cuba, and it is largely in the United States' power to determine which course Nicaragua will follow.

Nicaraguan government officials told me during my visit that they would like good relations with the United States. As evidence of

their good faith, they said they would be willing to permit the creation of some kind of border patrol to ensure that no weapons leave Nicaragua bound for El Salvador. That offer should be accepted.

In El Salvador, the administration is avowedly trying to prevent the country from going the way of Nicaragua. That objective not only overlooks the possibilities for creative diplomacy vis-à-vis Nicaragua but also the possibilities for reaching an accommodation with the guerrilla forces in El Salvador.

### Elections for Assembly

On March 28, El Salvador will elect a constituent assembly that will write a new constitution, name an interim president and lay the groundwork for presidential elections in 1983. José Napoleón Duarte, a Christian Democrat who is now the unelected chairman of a parliament that came to power through a coup in 1979, hopes to become first the interim and then the elected president. The leftist opposition is not participating in these elections, for fear of military action against them. Without them participating, however, elections will end the fighting. If the guerrilla forces eventually prevail, U.S. military support for the present government will probably close off much opportunity for the United States to influence the course of a government that the guerrillas helped to create.

If the rightist forces led by Roberto d'Aubuisson win the election, greater repression will result, which in turn will broaden popular support for the guerrillas. In that event, the United States should immediately cut off all

military aid to El Salvador and attempt to open a dialogue with the guerrillas and their political allies, for they would be the wave of the future just as the Sandinistas were in Nicaragua.

If, however, Duarte wins — as I expect — he will have the authority to engage in a dialogue with the guerrillas himself. Washington should encourage this, for he will not have a military victory over the guerrillas without huge U.S. military aid or direct U.S. military involvement — neither one of which would be supported by the American people or, for that matter, by Congress.

The dialogue with the guerrillas — who are not all Communists — could be modeled after the process that succeeded in Zimbabwe. There, both sides agreed on an electoral mechanism that was fair to each, a cease-fire and an integration of military forces that formerly fought each other.

The government emerging from such a negotiated settlement in El Salvador might not be entirely to U.S. liking, particularly if Washington's only objective is to score a victory against Soviet-Cuban Communism at the expense of the Salvadoran people. But a leftist-tinted government, even one involving Marxists, would not necessarily be a disaster for the United States or El Salvador's neighbors. If Washington makes it clear that it is not opposed to a leftist government as a matter of principle, El Salvador could evolve into something resembling Yugoslavia instead of Cuba.

Throwing guns and military advisers at what are basically political, economic and social problems will not work in El Salvador and could well lead to a contagious form of Communism poisoning all of Central America. A negotiated settlement is the only answer.

## Pact Proposed by Italian Deserves Attention

By Philip Geyelin

WASHINGTON — Whenever the Soviets do something (the Polish crisis being the instant case) that calls into question the cohesion of the "alliance," you can hardly hear yourself think for the keening and death-knelling of commentators, academics, elder statesmen and officeholders.

Without the slightest effort to distinguish between functioning organizations (NATO), institutionalized summits (the annual meeting of industrialized nations) and the general sense of shared values and interests of the so-called West, the critics go up that the "alliance" is, if not quite dead, at least outdated and disintegrating.

From the alarms it is but a short leap to grim warnings that if this keeps up — "this" now being Europe's refusal to see events in Poland the way Washington does — the United States may simply have to go it alone. "Agonizing reappraisal" was the way it was put in John Foster Dulles' day.

This brings me to a third phenomenon common to most classes within the "alliance": the eventual emergence of cooler heads whose

sober and constructive alternatives get lost in the crisis-mongering.

For the most part, such alternatives are still in the muttering stage. They lack the drama and discord of specific issues (the Siberian gas pipeline or sanctions against the Soviet Union). They have to do with form and process: the dull stuff of structural rearrangements to accommodate profound changes in Europe, in the East-West balance of power, and in U.S. military and economic pre-eminence.

The French, for example, are quietly pushing a revival of regularized Big Four contacts by the United States, Britain, West Germany and France, an idea that finds no takers among lesser allied powers. New institutional links between the European Economic Community and the United States on economic issues are being explored.

Such alternatives are tentative. But the Italian foreign minister,

Emilio Colombo, made a big speech at Georgetown University recently that not only analyzed the problem in depth but proposed a sweeping solution. It deserves more attention than it got — which was next to none.

Colombo conceded the obvious: that Europeans see things differently on anti-Soviet sanctions and the gas pipeline, even among themselves; that they see Third World problems differently than the Reagan administration; that NATO's role is too narrowly confined to Europe's defense to make it a useful instrument for concerting allied policy in, say, the Gulf or on the West Bank; that Europe's economic resurgence puts it at sharp competitive odds with the United States.

### New Capacity

But he noted a new European capacity to speak collectively on political issues, through the EEC Commission. He noted Italy's unconditional acceptance of deployment of nuclear weapons and its readiness to participate in the Sinai peacekeeping force. He stressed the need to restore and maintain a proper East-West balance of power.

Having thus asserted Italy's credentials as a responsible ally, he called for negotiation of a new "formal instrument." Its purpose would be to reaffirm a "common political will" across the Atlantic to deal with the profound alterations in the conditions under which the Atlantic alliance was born.

His proposed "Euro-American Friendship Pact" would establish basic principles for dealing in concert with East-West relations, Third World challenges and economic policies. He had previously put his idea in general terms to Secretary of State Haig privately, to test U.S. reactions. But he is said to have specific details in mind for periodic meetings to reach "common evaluations."

His idea would require more willingness to surrender self-interest and sovereignty than may be realistic to expect. But it proceeds from an urgent sense that threats to the various "alliances" of Western nations are serious enough to justify extraordinary efforts. That beats keeping.

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## The Newest Foreign Policy Battle

By Flora Lewis

PARIS — The sharpening foreign policy fight in the Reagan administration is finally bringing underlying arguments, though not policy itself, into better focus.

In one sense it is true, as top officials insist, that there are serious ideological differences among them. Anti-Soviet Communism is the key theme for all (attitudes on Chinese Communism are something else).

The conservative-liberal debate on the United States' role in the world and how to deal with other countries has been brushed aside. That is no longer the issue.

Secretary of State Haig, no less than Secretary of Defense Weintraub and other high officials is convinced that U.S.-Soviet confrontation is the core issue, and that other global problems — the Third World, the environment, nonproliferation and such — must be seen in that context.

Their assessment of dire U.S. interests and some understanding of Europeans' needs leads them to back "differentiation" toward Eastern Europe.

It is a policy developed over more than a decade, which makes a point of differences among East-bloc countries, their nationalist traditions and aspirations, their degree of active support for Soviet goals.

Advocates of go-it-alone argue that Moscow is responsible for the East bloc and nothing should be done to alleviate that burden. Making Eastern Europe more dependent on Moscow, they insist, will eventually bankrupt Moscow. If the allies won't cooperate in this new deep-freeze cold

war, and they won't because too many of their own interests are at stake, then the unilateralists say too bad for them.

Differentiation is building up as the next big fight in administrative policy-making. Unilateralists feel Europe isn't so important anyway.

The Gulf is the prize, they argue.

Apart from sales of advanced weapons and operational agreements with Arabs, the unilateralists count on the "maritime strategy" for their approach. The drive for a greatly expanded navy isn't just to underpin existing alliance strategy, but to reduce the need for foreign bases, overflight rights, etc.

The unilateralists are unrealistic. In my view, they would dangerously weaken the United States if they prevailed. But neither side has made a basic assessment of the challenges ahead, and their arguments are based on obsolete premises in a changing world. That's why they can't be reconciled. It is time for a new look.

His idea would require more willingness to surrender self-interest and sovereignty than may be realistic to expect. But it proceeds from an urgent sense that threats to the various "alliances" of Western nations are serious enough to justify extraordinary efforts. That beats keeping.

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weekend

## Browsing Through English-Language Bookstores



Monica McCarthy at Trilby's.

### When the Books Are Written In Red Ink

by Thomas Kamm

**P**ARIS — Trilby's bookshop was set to close a month ago. Faced with seemingly insurmountable financial problems, the store had put all its new books on sale at half-price to get rid of its stock. But then it won a reprieve: Forbidden by law to lay off its manager — the store's only employee — without giving her three months' notice, Trilby's owner decided to keep the shop open during those three months and make it more than just a bookstore in a final effort to survive.

Monica McCarthy, the manager, can be grateful to French law for this new lease on life. But French bureaucracy is also the root of many of Trilby's problems, which illustrate the difficulty of running a small, English-language bookstore — even when profit is not its only aim.

"It takes a while to get to know all the laws," McCarthy says, as she outlines some of the reasons for Trilby's problems. "There are so many laws in France." By knowing the law, McCarthy makes it clear she also means ways of circumventing the law legally.

Trilby's problems are manifold: It is small, it is poorly located and, being mainly an English bookstore, it has to import its books — and thus face a maze of regulations and added costs that make it difficult to be profitable. For every book it orders, Trilby's has to pay a 9 percent customs levy, a 7 percent value-added tax, and 15 to 18 percent postage. "Some bookshops circumvent this by having their distribution system," McCarthy says. "but this is only worthwhile if you're dealing in thousands of books."

In addition, since the government instituted a fixed price for books in January, Trilby's has had to align its prices with those of France's biggest importers. But Trilby's pays more for its books because the discount given by publishers is proportionate to the size of the order — which puts small bookshops at a disadvantage.

"For a small bookshop, these considerations add up," McCarthy explains. "The actual benefit one makes on the sale of books is very small."

So, since being a general bookstore did not work out too well, Trilby's is at the same time diversifying and specializing in its effort to keep the shop going. First, Trilby's joined in an agreement with Nouvelle Acropole, a cultural association that specializes in esotericism, the culture of ancient civilizations and tradition. In exchange for selling the association's books and reproductions of artifacts and promoting its activities — which means placing greater emphasis on esoteric books — Trilby's will benefit from Nouvelle Acropole's clientele and advertising means.

### Theroux: The Writer as Man in Motion

by Pamela Schirmeister

**P**ARIS — Paul Theroux might have been a doctor in Massachusetts or he might have gone on building huts in Uganda. And as anyone who has read his "Great Railway Bazaar" or "The Old Patagonian Express" will know, Theroux might well have gone the way of the hero in the old song, "The Man Who Never Returned." Any one of these fates would be enough for most lifetimes, but at the age of 40, Theroux has already managed a part of each.

As he breezily notes at a Paris symposium of American novelists, "I was going to be a doctor because it was easier to explain than being a writer." Instead, he went from the University of Massachusetts to Central Africa for five years, working for the Peace Corps for part of that time, then to Singapore to teach American literature and, finally, to London, where he has lived for the last 10 years with his wife and two children. As Theroux enjoys pointing out, "A writer lives a lot of lives; he writes a lot of books."

Theroux, who has written 16 books — travel books, novels and collections of short stories — in roughly as many years, regards writing and traveling as two sides of the same activity:



Paul Theroux.

"A traveler is a person acting out the process of writing a novel. You know, when you're traveling, you won't go on unless something happens every couple of days to keep you

going." Whether stepping from a train to find himself alone in the desert beneath unfamiliar constellations or charting the history of that step, the process is one Theroux calls "discovery." Like an itinerant without a definite schedule, he explains that he approaches his work "with a vague idea of where it is going. Mostly, though, I'm struggling with a kind of blindness, feeling for the possibility of a book."

Everything about Theroux smacks of discovery and possibility. Walking quickly along the boulevard Saint-Germain, hands clasped behind his back, he quotes Poe from memory and then mentions that he may start collecting Indian art. He interrupts his discussion of the BBC to show drawings he has done that morning of the gargoyles at Notre Dame and a photograph of his son making a face during a recent ski trip in France.

In "The Old Patagonian Express," an account of his train trip through Central and South America, Theroux admits to becoming so preoccupied with finding the station, buying the ticket and boarding the train that he forgot where he was going. But Theroux the writer doesn't seem to worry much about getting lost. "You do not have a choice in what

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by Nick Stout

Where is human nature so weak as in the bookstore!

— Henry Ward Beecher, 1855

**P**ARIS — Legend does not explain the ambitions of Giovanni Antonio Galignani as he left Paris for about 1790, almost three centuries after his aristocratic ancestors started a successful and lasting book business in Padua. Unwilling in his early 30s to risk the wrath of Robespierre's terror during the French Revolution, Galignani prudently put off whatever plans he had and escaped to England, where he married the daughter of a British printer.

Having thus fashioned his family future, Galignani awaited the cooling of the French political climate. After a few years, he returned to Paris with his father-in-law, and in 1800 the pair set up a bookstore on the rue Vivienne. They were soon busy reprinting English-language titles, and later established a newspaper for British expatriates that was to last almost until the end of the 19th century.

Expanding in tandem with Pax Britannica, the booming business passed to two of Galignani's three sons who, in 1856, moved it to the present location: 224 rue de Rivoli. The store is still in the family, and customers are always handed a complimentary bookmark with the inscription: The First English Bookshop Established on the Continent.

As a Lost Generation and postwar troops contributed to the imperial dissemination of the language, the demand in Europe for English-language books was bound to grow. In fact the Continental demand for such books today comes not from expatriates as much as it comes from well-educated Europeans — or so the sellers say. And the sellers are many.

The addresses of English-language bookstores that follow represent the findings of one bibliophile's recent wanderings and inquiries. The list is only a sample, for too many leads might spoil the fun of discovery.

#### Amsterdam

Booksellers have been astir on the streets of Amsterdam for centuries, and the Dutch city has become a Continental Mecca for readers of English. Bookstores abound in Amsterdam, and virtually all are rich in English-language titles.

**Athenaeum**, Boekhandel, Spui 14-16 (tel: 22.62.48) — Intended to cater to a university community, this spacious store with its series of short staircases is excitingly unpredictable: a maze of mezzanines to meander around and get lost in. Books of all languages in hardcover and paperback are intermingled, under strictly specific subject headings — feminism, mass media and semantics, for example — and a lazy browser might get bogged down in plodding through the Dutch, French and German. Those with time and curiosity, however, are bound to find some delightful oddities. To wit: "Jewish Physicians in the Netherlands, 1600-1940" (a series of biographical sketches). The section on ancient Greece is subdivided to include selections on Aristotle of Greece and Latin Sappho & Hellene, Spui 10 (tel: 26.72.12) — Like that of Athenaeum, this colossal collection is earmarked for academics. Among the highly specialized subject areas are astronomy, electronics and engineering, and there are two full seven-shelf bookcases on Anglo-American law. Four floors of fun, with a basement for serious students of medicine. The Penguins are on the ground floor, the "Pelican Corner" one flight up.

**American Discount Book Center**, Kalverstraat 158 (tel: 25.55.37) — With an abundance of American and English paperbacks — possibly the largest and most diverse collection in Europe — this popular shop bills itself as "the Loner in the Dutch Booktrade." Loner in the sense that it imports its stock directly from the United States and England, thus bypassing Continental distributors, and because it discounts traditional European prices by 10 percent for students, quantity buyers and anyone who cares to buy an annual membership for 15 guilders (about \$6). To lure the students, manager Alan Evans keeps a close watch on university book lists. In addition, there is a vast selection of U.S. and British periodicals, including back issues. Absentee-owned by a bookseller in Baltimore, the shop has become so popular over four years that branches have been opened in The Hague (Spuistraat 72, tel: 64.27.42), Eindhoven (Piazza 05, tel: 43.07.81), and Groningen (W. Lohdijkstraat 54, tel: 12.06.28).

**The Book Exchange**, Kloveniersburgwal 58 (tel: 26.62.66) — About three and a half years ago a pair of bored Californians came into some money and decided to do something different with their lives: Go into business. Starting with a collection of used books purchased in Berkeley, Calif., they stocked a canal-front store and today have 15,000 used paperbacks and hardcovers. The trade system permits re-



discounts of up to 20 percent — another book each quarter. It is mainly a collection of special-edition classics and anthologies, and non-members are welcome to browse the shelves.

**Boekhandel Tummers**, Oudehuispoort 1A (tel: 23.89.23) — This is one of the many specialty bookshops in the city, in this case nothing but philosophy. Tomes abound in many tongues, but most seem to be in English. So much matter for the mind is possibly what led the shop's owner, Richard Tummers, to open a complementary outlet, At Pied à Terre, Singel 393 (tel: 27.44.55) — the reader who is weary of such wisdom can instead brief himself on the benefits of jogging and learn how to climb the Matterhorn in English.

**Albert de Lange**, Damrak 62 (tel: 24.67.44) — Walk up one story to find the English titles — a wide choice of the latest hardcovers and lots of trade paperbacks weighted in linguistics, literary criticism and poetry. Among the many other shops in Amsterdam with English and American titles are **Moderne Boekhandel B.A.S.**, Leidsestraat 72 (tel: 24.81.69), which has a large paperback section, and **Boekhandel van Gemert**, Langebrugsteeg 13 (tel: 24.70.35), whose stock seems meant for students. For art books try **Enthousias Antiquariaat en Boekhandel Spui 2** (tel: 23.05.35).

#### Vienna

**British Book Shop**, Weihburggasse 8, Blumenschoßgasse 3 (tel: 52.19.45) — With an illuminated Union Jack marking the spot on a dark sidestreet, this shop evolved from the English Reading Room that the Information Department of the British Embassy opened in 1945. At the outlet, explains manager Wendy Hofmaier, the bookselling service was subordinate to the newspaper lounge. But as mass media grew more sophisticated, the need for a newspaper reading room became less important. The book business was thriving, however, and was sold in 1974 to Blackwell's, the renowned bookshop of Oxford. The primary business is in popular paperbacks. There is a well-stocked travel section, including Blue Guides.

**Heidrich (English Book Shop)**, Plankengasse 71 (tel: 52.37.01 or 52.29.93) — Once an autonomous bookstore and now an ostensibly autonomous department of a larger German-language retailer, Heidrich entices the curious with its cluttered collection of hardcovers. The emphasis is on history, travel, economics and politics. Also anthropology, as suggested by the prominent display of Bronislaw Malinowski's "The Sexual Life of Savages in North-Western Melanesia." The manager, Sonja Jangochian, cannot remember where that one came from or why it was ordered. It must have been inherited from her predecessor, she surmises. There is a small section devoted to books on Austrian history, a preponderance of economic textbooks and the gamut of mass-market paperbacks. The New York Times

Book Review is available here, as are recent issues of Variety, Time, Newsweek, The New Yorker and other leading U.S. periodicals.

#### Frankfurt

**British Book Shop**, Boerenstrasse 17 (tel: 28.04.92) — What makes this store unique is that you don't have to turn your head sideways to scan the stacks: the books rest one atop another on shallow shelves. Most are mass-market paperbacks, but the stock is rich and the store includes an "Irish Corner." British houses dominate the hardcovers, and a recent display included such contemporary talents as Galbraith, Roth and the brothers Naipaul. At the front counter are recent U.S. and British periodicals. Established soon after World War II, the store was run by the same woman until three years ago, when it was purchased by Carole de Laskay and Liz Brodersen. Mail orders are accepted.

#### Munich

**Anglia English Bookshop**, Schellingstrasse 3 (tel: 28.36.42) — Situated near the university, this shop also dates to the immediate postwar years. For the past two decades its eclectically minded (a friendly Frankfurter rival would say eccentric) master has been David Connolly-Smith, whose ordering "by instinct" has given rise to a professor's portmanteau. "The trouble," Connolly-Smith says, "is that people come to browse but not to buy." The solution is his ample supply of mass-market paperbacks — like the Penguins, Pelicans, Panthers, and Fontaines — which, he says, accounts for 80 percent of his business.

#### Athens

**American Bookstore**, Amerikis Street 23 (tel: 362.41.51) — Serving "the Greek community" and a few tourists in the summertime, as manager Basil Christanthos puts it, this store has been specializing in English and American titles for a quarter century. Not surprisingly, books about Greece are in good supply. So are works on architecture, science and technology. There are choices for children and an array of paperbacks and magazines.

#### Florence

**Paperback Exchange**, via Fiesolana 31r (tel: 21.30.54) — Opened in April 1979, the exchange professes to have about 18,000 second-hand books in English, supplemented by about 250 titles in new paperbacks. Maurizio Panichi says he sells a used book for about half of what the same book would cost new in Italy. "We consider it important to keep the new books to a minimum," he explains, "not only because of

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### Final Curtain for the D'Oyly Carte

by Martin Bernheimer

**L**OS ANGELES — It all began nearly 107 years ago when an impresario named Richard D'Oyly Carte wanted a companion piece for Offenbach's "La Pêcheuse," then playing at the tiny Royalty Theater in Soho. D'Oyly Carte brought together a librettist named W.S. Gilbert and a composer named Arthur Sullivan and coaxed them to write comic operas with complex ensembles and pretty tunes and satirical situations.

"Trial by Jury," the first Gilbert-and-Sullivan collaboration for D'Oyly Carte, took the stage the night of March 25, 1875, and the rest, as they say, is history. The D'Oyly Carte Opera became a company that served Gilbert and Sullivan exclusively, set standards, savored an authentic tradition and eventually spread the gospel from its own Savoy Theater to a grateful world.

Times and tastes changed, quality fluctuated, famous people came and went, generations of performers and audiences marched onward and outward. But D'Oyly Carte, we firmly believed, would go on forever. There would always be an England; there would always be a D'Oyly Carte. The thought was comforting, and, we now discover, utterly unrealistic.

It all will end this Sunday at the Adelphi Theater in London. A matinee of "H.M.S. Pinafore" and an evening gala will function as the D'Oyly Carte's swan song. Audiences have dwindled, costs have skyrocketed and the company has proven itself unable to keep pace.

The last time I saw the D'Oyly Carte was in the summer of 1976 and the company already had fallen on hard times. It was, in fact, a thing of shreds and patches here. A small, brave band of singers, generally more dedicated than talented, lumbered through realistic pieces. The productions looked old and cheap and worn. Everyone — well, almost everyone — seemed tired. Inspiration was conspicuously absent.

Still, all was not lost. As always, there were flashes of excellence; a few old friends still graced the roster and fleetingly upheld standards. Moreover, one always could look forward to the next tour. D'Oyly Carte had survived worse vicissitudes than this.

One of the most reassuring of the old friends was John Reed. A whole Savoyard generation had come to equate him with the raspy-voiced Sir Joseph Porter, K.C.B., crusty ruler of the Queen's Navy in "Pinafore"; or Stanley, the very model of a modern major general, in "The Pirates of Penzance"; or the fey Ko-Ko in "The Mikado"; or the wistful Reginald Bunthorne in "Patience"; or the whimsical Robin Oakapple in "Ruddigore." One could, of course, go on and on. Reed was the principal comedian of the company. He changed his costume and makeup each night, but, until he eventually foreswore the relatively unwarding duties of the major general, he graced every vehicle in the repertory.

He joined D'Oyly Carte back in 1951. The company always preferred to make stars rather than engage them, and to that end, put its players through a roster-ladder system. A contender customarily began in the chorus, gradually took on the duties of an understudy, then sang small roles, and ascended to prominence when the time was right. Reed was no exception. He took over as principal comedian when Peter Pratt left the company in 1959 and stayed in the spotlight until he took his own leave following an Australian tour two years ago. Now, for the company's final hours, he has returned for some nostalgic valedictions.

Most principal comedians enjoy long reigns. Henry Lytton held the D'Oyly Carte stage from 1884, when he became a chorister, until he sang his farewell as Jack Point in 1934. Martyn Green joined the company in a minor role in 1922, left in 1951 and continued to specialize in Gilbert and Sullivan elsewhere. Reed followed in imposing footsteps and learned, indirectly, from legendary examples.

All this was very much on his mind in a recent interview. A gentle little man with a mischievous smile, he spoke of D'Oyly Carte in alternating tones of regret and sadness, which eventually gave way to outright rancor.

"I'm happy to be back with them," he says. "I left because I wanted to do other things. It was now or never. Time wasn't standing still, and I wasn't always happy about the way things were progressing within D'Oyly Carte. Still, my duty is to the old firm. If it will help in any way, I want to be there at the end."

"I left the company, I think, on good terms. But there was some bitterness, too. I made up my mind to leave during the Australian tour. We were preparing 'Iolanthe.' At the end of one rehearsal, the conductor asked the chorus to stay for two minutes to go over a couple of minor points. Two minutes! The Equity representative pointed out that that would require overtime pay. I was furious. It was never like that in my day. When I joined the company, we wanted to do things correctly. That was the primary objective."

Reed earned \$9 — about \$20 — a week when he joined D'Oyly Carte.



Gilbert and Sullivan, by Alfred Bryan, 1878.

30 years ago, "I never made a great deal of money," he says, "even after I became a principal. No one appears with D'Oyly Carte for the pay."

If asked why the company is dying, he begins with an easy answer: "Inflation. The cost of travel became prohibitive." Soon, however, he speculates on other, more complex causes.

"The publicity has always been bad in England," he says. "The management thought that we didn't need it, perhaps that it was undignified. As a result, people often didn't know what we were doing, and where, or how we were doing it."

The management also was reluctant to move with the times. The staging often was entrusted to former choristers who followed the book but lacked real insight. They couldn't stimulate or inspire us very much. Everything tended to go by-rote, unless we insisted on making changes ourselves. That we gradually, cautiously did."

## Just Browsing

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their cost to the public but also because we personally prefer the 'feeling' of a second-hand bookstore." Books traders receive credit toward subsequent purchases, a system that creates a circulation of about 2,000 books a month.

BM Bookshop, Borgognanni 4/r (tel: 29.45.75) — Libbie F. Bazzati, an American, has been selling books here for more than 15 years. The 16,000 books in stock, mostly paperbacks, cover the spectrum of fiction and nonfiction. There are hundreds of classics, 350 different art books and 500 titles for children.

### Rome

Economy Book Center, piazza di Spagna 29 (tel: 67.01.03) — Found between the Keats-Shelley Memorial and American Express, this shop has been dealing in new and used paperbacks for 17 years. A current guidebook describes it as an "absolute paradise for the traveler looking for something to read, as well as for the serious student looking for any history or art text." With a stock of 25,000 paperbacks, the store accepts used books for cash or credit. Many prices are discounted, and there is a section called "Good Cheap Books."

### Helsinki

Akateeminen Kirjakauppa (The Academic Bookstore), Keskuskatu 1 (tel: 65.11.22) — This ambitious enterprise has an array of English-language books from paperbacks to scientific treatises. For those who cannot visit the modern interior (the building was designed by Alvar Aalto), mail orders will do. "In principle we can order any English book," says Doris Stockmann, the commercial director. The immensity of the store is not lost on its owners, whose brochure reads: "The bookstore is purchasing and selling books and journals on all subjects in all languages from all countries and is also handling export."

### Paris

Galignani, 224 rue de Rivoli (tel: 260.76.07 or 260.73.65) — A limited but tempting helping of hardcovers in history, political analysis, criticism and biography and an extensive range of works on music bespeak a clientele cultivated over a couple of centuries. For the nonspecialist, there is the familiar fare of paperbacks and, in the summer, a rich travel section. The store is strong on dictionaries and art books, and is one of the few places in Paris to stock Foreign Affairs Quarterly.

Brentano's, 37 avenue de l'Opéra (tel: 261.52.50) — Despite independence from the American chain, Brentano's, in Paris since 1895, keeps its American appeal. Current best-sellers are normally available in hardcover, and there is an assortment of titles on American film and dance. There are also treats for the technician, with books abundant in man-

agement, marketing, economics, computer sciences and aviation. Walk straight through past the French books until you see the doorway leading out on the other side of the block and you'll presently come to the periodical room, where *The New Yorker*, *Esquire*, *Harper's* and the lot are available at French prices. The paperback department downstairs is as diverse as any in Paris.

Nouveau Quartier Latin, 78 boulevard Saint Michel (tel: 326.42.70) — This is the retail outlet of French distributor of English-language books. Except for the separate room of art books, the store limits itself to paperbacks with an emphasis on literature and literary criticism. There are also shelves of mysteries, poetry, drama, philosophy, psychology, history and linguistics.

Atica, 34 rue des Ecoles (tel: 326.09.53) — Importing directly from the United States and England, the store specializes in American and English subjects, primarily literature for university students. "You won't find very many translations here," says manager Ives de Mano, meaning, for example, English translations of Proust. Around the corner, at 23 rue de Jean-de-Beauvais (tel: 634.16.30) is a branch specializing in methods, texts, tapes and dictionaries available to those desiring English as a second language.

Albon, 13 rue Charles V (tel: 272.50.71) — Located near the English Institute of the University of Paris, this small store is apparently intended for learners of English. It stocks French and English-language paperbacks, including some bilingual books. There are dictionaries, learners' guides and photocopies of anything for 50 centimes each.

W.H. Smith, 248 rue de Rivoli (tel: 260.37.97) — One of two Continental outlets of the British chain (the other is in Brussels, Boulevard Adolphe Maxlaan 71-75; tel: 219.27.08), the store has a predictable assortment of Penguins, Pelicans and other mass-market paperbacks as well as recent British hardcovers. While it is not the place to get advice about authors, one can be almost certain of finding familiar titles. There is also a wall of American and British periodicals, which are usually being read by customers happily in defiance of the posted prohibition.

Shakespeare & Company, 37 rue de la Bûcherie (no phone) — It's not the same place where Hemingway borrowed books on credit; that one was on the rue de l'Odéon. But the present facility — looking out on Notre Dame Cathedral — is still more akin to an open house than a retail store. It draws renowned writers and young adventurers, many of whom spend a night or more in the apartments above the shop. The present owner, George Whitman, has for 30 years been assembling a vast collection of used English-language books. Many are for sale, but most are permanent fixtures of his library one floor up, which is open to visitors with varying degrees of regularity. Books, including new paperbacks, are haphazardly arranged, giving the impression that no



one really knows what might be on the dusty shelves. If you don't mind the dampness, or a couple of German shepherds chasing each other past your feet, or the lack of coherence to the stacks, it can be an exciting place to explore. And you can sell used books.

### Geneva

Encounter Bookshop, 5 rue Versoix (tel: 36.08.17) — What makes this shop so popular is its pricing policy: All books are sold for the list price — determined in Swiss francs at the daily bank rate — plus 15 percent to cover transportation costs. "We're making money, and also serving the community," says Eugene Schulman, who opened the store last summer after doing the market research necessary to become convinced that Geneva was crying for titles in English. There are other reasons to visit this store: Not only are there hardcovers by university authors, but also chairs in which to read them. Children have a corner to themselves, and theirs are beanbag chairs. The used hardcover department is growing, and the art and film room is already big. Heron Classics are available here, as are most popular paperbacks. Sponsored by his swift success, Schulman is planning to open similar stores in Zurich and Paris. He has more investors than he needs. ■

Ying, March 4: "Sarod Recital by Ustad Amjad Ali Khan," March 5: "Vocal Recital by Gomda Hsi," March 6: "Classical Concert."

### ITALY

MILAN, Piccolo Teatro (tel: 86.64.18) — Through April: "The Good Woman of Setzheim" (Brecht), Giorgio Strehler director.

ROMA, Auditorium del Foro Italico (tel: 63.47.26) — Feb. 27: Italian Radio-Film Festival. Sunday, Jerry Seinfeld (Sheridan).

SCANDAL" (Sheridan).

ENGLAND

LONDON, Aldwych Theatre (tel: 83.64.00) — March 1, 2, 4, 10, 11: "Richard II," Royal Shakespeare Company.

•Museum of London (tel: 600.36.99) — "Curtains III or A New Life For Old Theatres," exhibition featuring the "lost" theaters of Britain.

•National Theatre (tel: 928.22.52), Cottesloe Theatre (tel: 26.27, March 1, 2, 5, 6, 8, 9, 10: "Summer Shakespeare," a Shakespeare Company, March 3, 4: "One Woman Play" (Doris Lessing).

•Lyttleton Theatre (tel: 3.4: "The Second Mrs. Tanqueray" (Finner).

•Natural History Museum (tel: 589.63.23) — March 4-May 1: "Bird Art" exhibition: paintings and sculpture by British, Canadian and U.S. wildlife artists.

•Queen's Theatre (tel: 734.11.66) — March 2: "Another Country" (Michael Frayn).

•Royal Albert Hall (tel: 589.22.03) — Feb. 28: New Symphony Orchestra, "Viennese Evening."

•Royal Opera House (tel: 240.12.00) — March 2, 8, 11: "Die Meistersinger Von Nürnberg" (Wagner).

•Sadler's Wells Theatre (tel: 837.16.72), Sadler's Wells Royal Ballet — Feb. 27-March 1: "Papillon," March 2, 3, 4: "Solitaire/Nocturne" (Concerto).

•Netherlands Scheepvaart Museum (tel: 23.41.72) — From March 1: "Exhibition of 150 ship models and sea-scapas."

### NETHERLANDS

AMSTERDAM, Concertgebouw, Grote Zaal (tel: 71.83.45) — March 2:

The Academy of St. Martin-in-the-Fields, Kenneth Sillito conductor (Corcili, Ricciotti, Aronky, Persolgi, Tchaikovsky), March 3-4: "Concertgebouw Orchestra, Neeme Järvi conductor, Alfred Hodges solo (Britten, Brahms, Tchaikovsky), March 5: "Piano and concert of romantic music," Hans von Koen conductor, Adel Rahman El-Balil piano (Beethoven, Berlioz).

•Netherlands Scheepvaart Museum (tel: 2.39.22.70) — From March 1: "Exhibition of 150 ship models and sea-scapas."

### SPAIN

BARCELONA, Museo Picasso (tel: 319.69.02) — To Feb. 28: "Picasso Retrospective" to celebrate the centenary of his birth.

•Opera del Liceo (tel: 222.23.70) — Feb. 28-March 3: "Solome" (Strauss), Charles Vandenhende conductor.

•LAS PALMAS, Teatro Pérez Galdós (tel: 2.50.17.72) — From March 1: "XVth Open Festival" — March 5: "Simon Boccanegra" (Verdi).

### SWITZERLAND

GENEVA, Théâtre de Carouge, rue Joseph-Girard 12 — To March 7: "Death of a Salesman" (Miller).

PARIS, Cartoucherie, Vincente (tel: 56.69.99) — To April 30: "City Dwellings and Country Houses," Robert Adam and His Style, exhibition.

•Guggenheim Museum (tel: 860.28.38) — March 5: Rudolf Serkin piano (Beethoven).

•Théâtre des Champs-Élysées (tel: 723.36.27) — Feb. 28: Concerts Pasdeloup.

•Théâtre National de l'Odéon (tel: 325.70.32) — "Hedda Gabler" (Ibsen).

### UNITED STATES

NEW YORK, Asia Society (725 Park Ave.) — Feb. 28: "Eight Dynasties of Chinese Painting," exhibition ranging from the eighth to the 18th century.

PARIS, Musée d'Art et d'Histoire, rue Charles-Galland 2 — To April 25: "Les Peintres genevois descendants dans leur école," exhibition.

### UNITED STATES

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### WEST GERMANY

BERLIN, Philharmonie (tel: 83.40.94) — Feb. 28: Symphony Orchestra, Odile Blochmann (Schumann, Mendelssohn, Brahms, Debussy).

BONN, Bühnen der Stadt Bonn — March 2: "Theme and Variations," Dutch National Ballet.

FRANKFURT, Deutsch-Ibero-Americanische Gesellschaft — To March 5: "Miro Graphics," exhibition.

HONG KONG, Hong Kong Arts Festival (tel: 523.05.27), Shouson Theatre — March 1, 2: "An Evening of Arabian and Chinese Music," Ustad Amjad Ali Khan, sarod, Liu Li Chuen, chung, March 3: "An Evening of Chinese Music and Dance with Hong Kong Jing Jia," Tel: 01 493.22.22 - Telex: 24561

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## Enfant Terrible of Belgian Museums

by Carol Mann

**G**HENT, Belgium — Lunchtime at Ghent's Museum of Contemporary Art: Jan Hoet, its sprightly director, leaps up from his chair, remembering that he has promised a young, little-known artist (one Jean-Sylvain Bieh) to carry out an art ritual today at 1 p.m. precisely.

It is a rather complicated undertaking involving pinning a raw egg to a candle and then attaching the result to the wall and finally letting the candle burn down. No easy task — several broken eggs later, Hoet has finally managed to fix the candle and egg to a panel in the museum.

Ghent, he lights the candle, promising his alarmed secretary to repaint the wall if necessary, and settles down to watch it with his lunchtime sandwiches in hand. "I owe it to the artist; after all, he asked me to do this and I accepted. He may have a point, we'll have to see. If I didn't carry this out, I'd have a bad conscience..."

Before becoming Belgium's most controversial museum director, the 46-year-old Hoet cultivated hopes of becoming an artist himself. "But I had to be honest with myself, and I soon saw that I just wasn't good enough, so I left art school and went to study art history instead. But what I did realize at the time was that my intuition about contemporary art was far more developed than any artistic talent I might have possessed."

And that was the direction in which he oriented his career from the start, in 1970, when he founded an art academy, the West Flanders Akademie, and taught aesthetics as well as wrote about trends in modern art. He soon became involved in setting up the first museum of contemporary art in his native city of Ghent, and was appointed director when it started in 1975, filling a floor of the city's Musée des Beaux-Arts.

He displayed his commitment by purchasing strictly contemporary art works. "I really couldn't use the budget to fill up the glaring gaps in the collection; the older generation had simply refused to accept the existence of 20th-century art, and for a long time neglected even Magritte and Delvaux," he says. "I knew we couldn't afford to make the same mistakes. A museum for me is a living institution which must help and promote contemporary culture, not just consecrate it in mortuary exhibitions of the kind that have killed off countless artists already. It must challenge public and artists alike."

"No one can come here with the usual set of prejudices about art, expecting to be reassured or consoled. Each time I ask an artist to show work here, he has the responsibility of creating something special within the context of the exhibition. He is not allowed to repeat anything he's done and has to prove that he still is truly creative."

Thus, for instance, did Joseph Beuys, the leader of the West German avant-garde, construct a grocery filled with goods from East Germany in the "Art After 1968" exhibition.



Jan Hoet at the Ghent museum.

Titled "Economic Values," Beuys' work was placed in the middle of the Old Master collection. "The local press ranted about anti-art," Hoet remembers. "They were infuriated when all Beuys really wanted was to pose questions about the economics of art. As far as Beuys himself was concerned, he wanted to take over the whole museum with one of his usual flashy pieces, but I wanted him to confront his own work with traditional masterpieces."

Hoet's eyes twinkle, he carves the air as he speaks, pounds the table with vehemence. The phone rings incessantly; his staff of unpaid volunteers gaze at him in adoration, moving about rapidly in order to keep warm. His offices are not heated, there is no money for that.

The museum authorities give him an annual travel grant of 35,000 Belgian francs (about \$815) a year; the museum's overall budget last year was 5 million Belgian francs. With the travel grant and most of his salary, he manages to get around. He doesn't mind sleeping in railway stations, if necessary, and living off snacks on his travels, he says. He has refused impressive posts in major foreign museums because, he says, he believes in the challenge Ghent continues to offer him and because he

feels the international crowds at his shows are beginning to prove him right.

In his exhibitions, he insists that he does not want to promote fashions in art or confine himself to acceptable currents in the avant-garde. For instance, he is preparing this summer to show the works of a practically unknown artist from northern France, Eugène Leroy, who spends years on single paintings and has, since 1970, unwittingly been painting pictures that herald contemporary trends.

Hoet's manner has helped make him impossible with much of the local press, which condemns what it considers to be the iconoclasm of his exhibitions. So he finds himself criticized at home but acclaimed by artists and fellow curators elsewhere. Dealers may sometimes protest his virulent criticism of their ethics, but an artist calling on a gallery with a recommendation from Hoet is assured of consideration. And, slowly, the sleepy city of Ghent (population 250,000) is turning into a bastion of contemporary art: Yvon Lambert, a leading Parisian gallery owner, has just teamed up with Albert Baronian, a young Belgian dealer, to open a gallery here, and others are on the way.

But unlike the earlier sales' Oriental ceramics, which are widely popular here, Western art is still a new and rather narrow field. Japan is also feeling the effects of the recession that has plagued much of the art market this season. Thus nearly a quarter of the auction's offerings failed to sell and the 2.3-billion-yen total was down considerably from previous sales here, the result of fewer offerings and weaker prices.

"The quality works just weren't there this time," said Thierry Morinane, a dealer with Nippon Advisart. "The Japanese are also not accustomed to buying at auction."

Tradition is one of the only obstacles hindering Christie's efforts. As Toshihiko Hatanaka, director of the firm's Tokyo office explained, Japanese law requires anyone holding a public auction to submit a list of potential buyers to the police at least 10 days before the sale. "The reason is to help the police trace stolen property," explained Hatanaka. But this regulation creates a huge amount of paperwork for the auctioneers and can trim the number of potential bidders, since no one can drop by or impulse and decide to bid on a print or two.

The regulation is another reason private auctions, usually just for dealers, have eclipsed public auctions here. Indeed, private auctions have a lengthy history in Japan, dating from before the Meiji Restoration, Hatanaka said.

Japan's art dealers still hold dozens of small, private auctions each year. In an effort to open the ranks a bit, the Tokyo Art Dealers Association recently began admitting collectors to two special auctions each year. But admission is limited to those invited by association members. And such "public auctions" are a far cry from anything held in New York, London or Paris.

So it would seem the current situation here is rather bleak for public auctions. Sir John Figgess, a Christie's director from London who flew here to oversee the sale, said the firm had hoped to break even on the venture. "But I don't think we will."

Asked if Christie's will be back for a fourth effort next year, he said the decision was up to officials in London.

## Business Is Slow in Tokyo

by Terry Trucco

**T**OKYO — Flush with art, money and a public bent on collecting, Japan would seem to be an ideal spot to open an auction house. Tokyo alone boasts 840 art dealers and 420 galleries, not counting the vast sale and exhibition spaces devoted to art at the major department stores. And since the mid-1960s, a small group of Japanese art dealers and collectors have regularly attended auctions in Paris, London, New York and more recently Hong Kong, where they have developed a reputation as aggressive, tenacious and moneyed buyers.

But art auctions in Japan are quite another matter. While the prestigious Tokyo Art Dealers Association can trace its origins to the early years of the Meiji Restoration in the late 19th century, public auction houses have no such tradition in this tradition-bound country. Japan's first Western-style art auction was staged just three years ago by Christie's of London.

And as the firm's third annual effort indicated, the idea of buying art at auction has not quite caught on in Japan.

A formal, well-dressed audience of close to 950 attended the six-hour auction this week at Tokyo's elegant Hotel Okura. Unlike Christie's two earlier efforts, which featured Chinese and Japanese ceramics, this sale comprised almost exclusively 19th- and 20th-century Western paintings and prints — works that appeal to the Japanese if the right artists are represented. The sale was tailored to reflect Japanese taste, including works by such favorites as Dali, Buffet, Chagall, Marie Laurencin and Rouault.

Some works did quite well. A painting of two women in Renaissance dress by the popular Japanese expatriate Tsuruji Fujita brought a rousing 23 million yen (about \$100,000), while his smaller portrait of a woman reached 4.8 million yen. "No one pays what the Japanese do for Fujita," quoted Shigeo Shimada of Artique Aoyama in Tokyo.

## Carnegie Hall Renovation Begins

**N**EW YORK — Construction has begun on the first phase of a \$20-million Carnegie Hall renovation that officials hope to complete by the centenary of the hall in 1991.

The master plan envisages a high-rise structure on the lot adjacent to the hall that will include added backstage facilities and a redesign of the hall to bring it closer to the aims of William Burnett Tuthill, the original architect.

The redesign will involve all lobby and public areas, a new rehearsal hall large enough to accommodate an orchestra, added office space and electrical systems, elevators, plumbing, heating, air conditioning, cleaning and repainting.

The hall also is expected to have a more-active role in concert presentation, especially in the summer. Even the hall's warm sound, long regarded as the key to its appeal, will be "brought out to its maximum," in the words of Isaac Stern, president of the Carnegie Hall Corp.

The first phase, the restoration and interior reconstruction of the entrance to Carnegie Recital Hall and the 57th Street studios, is scheduled for completion in 14 months.

Since 1898, when the structure was finished, the basic facilities have not been replaced. The hall

has periodically been repainted and cosmetically refurbished, and the facade has been altered to provide rental income from commercial spaces. But an average annual patronage of 750,000 people has led to serious deterioration.

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## Japan Records Deficit In Trade for January

By Ikuo Anai

Reuters

TOKYO — Japan, under mounting pressure from other countries to reduce its huge trade surpluses, reported Friday its first monthly deficit in a year.

Finance Ministry figures showed a deficit of \$799 million for January, the first monthly deficit since the \$1.41 billion gap of January, 1981. For December, Japan recorded a \$2.22-billion surplus.

January is traditionally a slow export month for Japan, which for all of 1981 had a trade surplus of \$20.03 billion, reflecting a boom in exports. Finance Ministry officials said the January deficit was smaller than expected, largely because of a rise in ship exports.

### Trade Deficit In U.S. Grew In January

Reuters

WASHINGTON — The U.S. merchandise trade deficit widened to a seasonally adjusted \$5.14 billion in January, the third largest one-month deficit on record, from a revised \$1.81 billion in December, the Commerce Department said Friday.

The January deficit was surpassed only by a \$5.61-billion gap in August, 1981, and a \$9.6-billion deficit in February, 1980.

Last month's deficit compares with a \$4.78-billion deficit in January, 1981.

Imports in the latest month rose 1.3 percent from December to \$23.87 billion. Exports edged down 0.8 percent to \$18.74 billion.

The rise in imports reflects a substantial increase in both petroleum and manufactured goods imports. Petroleum imports rose 3.4 percent from December to 212 million barrels, the highest level since January, 1981.

The U.S. trade deficit with Japan grew to \$1.9 billion from \$1.53 billion in December. During 1981, the deficit with Japan totaled about \$18 billion.

The deficit with OPEC nations widened to \$2.89 billion in January from \$1.37 billion in December, and the surplus with Western Europe shrank to \$37 million from \$90.5 million.

### ECC Chief in Japan Talks

Reuters

BRUSSELS — Belgian Foreign Minister Leo Tindemans, president of the EEC Council of Ministers, left Friday for Japan for four days of talks expected to concentrate on Japan's trade surplus with the EEC.

### Powerhouse Growth Boom Just Ahead and How IOG Teams Forecast the Turn

The Associated Press

LONDON — The British government was accused Friday of blundering in the stock market with taxpayers' assets when it sold off state-owned Amersham International, a world leader in radiopharmaceuticals.

When stock worth £71 million (\$129 million) was issued for Thursday's sale on the London stock exchange, written applications totaled £1.75 billion. The 45 million shares were priced at 142 pence each but the price soared to 190 pence in frantic dealings. That meant the market valued the company at £95 million and 25 times as many shares could have been sold as were available.

Some opposition Labor Party members denounced the affair and said some Conservatives made money on the deal.

In the House of Commons after the sale, Labor Party leader Michael Foot asked Prime Minister Margaret Thatcher: "Don't you think it is a scandal that state assets should be put on the market in this manner and sold at knock-down prices?" Mrs. Thatcher replied that the issue price was decided "on the firm advice of professional City advisers."

A spokesman for merchant bankers Rothschilds, who advised the government, called the stock exchange stampede "mass hysteria."

### American Ends \$600-Million Boeing Order

By Bill Sing  
Los Angeles Times Service

LOS ANGELES — American Airlines has terminated a \$600-million order for 15 Boeing 757 jets, and analysts have warned it could portend a series of major cancellations or deferrals of orders for new aircraft.

The move, industry officials said, was the biggest such action in U.S. aviation history.

At the same time, American said Thursday it is deferring delivery on most of a \$1.4-billion order for 30 Boeing 767 wide-body jetliners.

Industry analysts said that other airlines would be forced to take similar actions if the industry's financial losses continue much longer at the current rate. Indeed, American is one of the strongest carriers, having turned a profit last

## BUSINESS NEWS BRIEFS Mexican Oil Price Cut Pressures OPEC

### Nissan and Isuzu Recall Trucks and Buses

Reuters

TOKYO — Nissan Diesel Motor and Isuzu Motors said Friday they are recalling about 118,500 trucks and buses manufactured between 1973 and 1978 to replace defective ignition parts.

Nissan Diesel said of 23,044 "Condor" trucks and buses being recalled, 1,355 were exported, mainly to the Middle East. An Isuzu spokesman said 95,467 trucks and buses, using the same magnetic switch as Nissan Diesel, were sold only to Japan.

### Holzmann Wins Saudi Communications Order

Reuters

FRANKFURT — Philipp Holzmann has won an order worth 2 billion marks to build communication facilities in Saudi Arabia, the company said Friday.

Work on the project, involving construction sites throughout the country, will begin this year and is expected to last three to four years.

### Distillers Opposes Avon-Mallinckrodt Merger

Reuters

NEW YORK — National Distillers & Chemical said Friday it has informed Mallinckrodt that it will vote against the proposed merger of Mallinckrodt into Avon Products.

National Distillers said this will preserve its rights as a dissenter. It owns 595,292 Mallinckrodt shares, about 4 percent of those outstanding.

It said the action was taken because of the substantial decline in the market value of Avon shares to be received in the merger. The process of dissent to a merger under Missouri law gives the dissenting shareholder the right to be paid the fair value for his holding in cash.

### Xerox, Siemens to Cooperate on Office Systems

Reuters

MUNICH — Siemens, the West German electrical and electronics group, and Xerox of the United States have agreed to cooperate in the field of integrated office systems where their products do not overlap, Siemens said Thursday.

Siemens will combine the Xerox Ethernet linking system with its own office and domestic communications technology and adopt new Xerox office furniture and work units, it said. Xerox will be able to return to take Siemens communications products into its own range.

### BMW and SDP Say Car Diesel Engine Delayed

Reuters

MUNICH — Development by Bayerische Motoren Werke and Steyr-Daimler-Puch of a new diesel car engine will take longer than expected, BMW said Friday.

Work will continue on the engine, but a factory built in the Austrian town of Steyr will be used to make other BMW products, the statement said. A company spokeswoman could not say how long the delay is expected to be. The engine was originally due to be in production by the mid-1980s.

BMW has agreed with SDP to buy at par SDP's 400 million schilling (\$24 million) share in their joint Austrian subsidiary BMW-Steyr Motoren, formed in June, 1978, but the two companies will find a new joint venture in Steyr, BMW-Steyr Dieselmotoren Gesellschaft, to continue work on the diesel engine, it said.

### Chrysler, Mitsubishi to Study Joint U.S. Production Plan

The Associated Press

LONDON — Mitsubishi Motors, Japan's No. 4 automaker, soon will take a first step toward joint car production in the United States with Chrysler, the company said Friday.

Mitsubishi has notified its U.S. partner it is ready to begin a preliminary study for a joint venture, including marketing research on types of automobiles for production, said an official, who asked not to be identified.

The decision was prompted by a meeting Wednesday between Mitsubishi Motors chairman Tomio Kubo and Shintaro Abe, minister for international trade and industry. Mr. Kubo said Mr. Abe told him U.S. Trade Representative

Chrysler, which owns 15 percent of Mitsubishi, slashed its losses by more than \$1 billion to \$457.6 million in 1981.

The proposed joint production is "a move in view of the current trade friction between Japan and the United States as well as long-term prospects for increasing the need for international cooperation," the official said.

It will be at least two years before the planned joint car production begins in the United States, the spokesman said.

Should the joint production reach a level of 200,000 units yearly, "Mitsubishi would consider a plan to provide capital investment to Chrysler," he said.

The two carmakers agreed last September to discuss technology cooperation and venture possibilities, and the manufacturers soon will sign an official agreement on technology cooperation, he said.

Under a current agreement, Mitsubishi, which formerly marketed its cars in the United States only through Chrysler, now distributes its subcompact cars and light trucks through its own subsidiary. Chrysler distributes four Mitsubishi subcompact models, and two Mitsubishi light trucks.

A spokesman for merchant bankers Rothschilds, who advised the government, called the stock exchange stampede "mass hysteria."

In the House of Commons after the sale, Labor Party leader Michael Foot asked Prime Minister Margaret Thatcher: "Don't you think it is a scandal that state assets should be put on the market in this manner and sold at knock-down prices?" Mrs. Thatcher replied that the issue price was decided "on the firm advice of professional City advisers."

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Industry analysts said that other airlines would be forced to take similar actions if the industry's financial losses continue much longer at the current rate. Indeed, American is one of the strongest carriers, having turned a profit last

year while most carriers were experiencing substantial losses.

The prospect of further cancellations and deferrals, added in the sharp decline already evident in new orders, is contributing in fears that the airline industry in the 1980s will be less efficient, and hence cost more for passengers to use, than had been expected.

The airlines need to replace existing fuel-guzzling jets with planes such as the 757 and 767, due to go into service soon, and which are considered the most fuel-efficient of their size, analysts say.

American blamed inadequate profits and a discouraging outlook for its decision not to buy the 757, which would have been delivered from the beginning of 1984. The second-largest U.S. carrier had announced the order in January,

1981, and had been negotiating with Boeing over terms of a final contract, but it had not been signed.

American lost \$20.3 million in the last three months of 1981, although it earned a \$47.4-million profit for the entire year.

American chairman Albert V. Casey said the airline hopes to buy the 757 some time, but has no assurance that it could raise the necessary funds "until we can show significant improvement in our earnings."

Boeing spokesman Tom Cole said the decision would have an immediate effect on Boeing employment because American's jets had not gone into production.

The move, industry officials said, was the biggest such action in U.S. aviation history.

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## NYSE Nationwide Trading Closing Prices Feb. 26

Tables include the nationwide prices up to the closing on Wall Street.

12 Month Stock High Low Div.	In \$ Yrd. P/E	Stk.	High	Low	Close	Prev Close	12 Month Stock High Low Div.	In \$ Yrd. P/E	Stk.	High	Low	Close	Prev Close	12 Month Stock High Low Div.	In \$ Yrd. P/E	Stk.	High	Low	Close	Prev Close
44 34 Lincoln	3	73.7	14	13.4	47.8	+ 12	3524 2624 N.Y.T.	12	2	34.2	32.6	32.6	+ 14	24 214 U.S. Steel	12	5.5	4.9	5.5	5.5	5.5
1475 74 Lincoln	2.06	12	47	32	39	+ 12	3525 2525 Nodoco	2.05	2	21	20	20	+ 12	25 224 U.S. Steel	2.05	2.05	2.05	2.05	2.05	
29 4 Lincoln	1.46	2.3	4	2.2	2.2	+ 12	3526 2526 Norg	2.2	2	4.12	2.07	2.07	+ 12	26 234 U.S. Steel	2.2	2.2	2.2	2.2	2.2	
2394 2525 Lockheed	1.46	2.3	4	2.2	2.2	+ 12	3527 2527 Novo	2.2	2	4.12	2.07	2.07	+ 12	27 244 U.S. Steel	2.2	2.2	2.2	2.2	2.2	
1078 7525 Lorraine	1.56	2.5	3.5	2.5	2.5	+ 12	3528 2528 Novo	2.5	2	4.12	2.07	2.07	+ 12	28 254 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
2475 1146 Lovell	1.56	2.5	3.5	2.5	2.5	+ 12	3529 2529 Novo	2.5	2	4.12	2.07	2.07	+ 12	29 264 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
2726 2526 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3530 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	30 274 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
22 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3531 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	31 284 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3532 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	32 294 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1756 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3533 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	33 204 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3534 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	34 214 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3535 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	35 224 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3536 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	36 234 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3537 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	37 244 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3538 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	38 254 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3539 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	39 264 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3540 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	40 274 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3541 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	41 284 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3542 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	42 294 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3543 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	43 204 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3544 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	44 214 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3545 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	45 224 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3546 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	46 234 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3547 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	47 244 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3548 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	48 254 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3549 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	49 264 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3550 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	50 274 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3551 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	51 284 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3552 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	52 294 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3553 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	53 204 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3554 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	54 214 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3555 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	55 224 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3556 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	56 234 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3557 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	57 244 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3558 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	58 254 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3559 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	59 264 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.5	+ 12	3560 2525 Novo	2.5	2	4.12	2.07	2.07	+ 12	60 274 U.S. Steel	2.5	2.5	2.5	2.5	2.5	
1475 2525 Lott	1.56	2.5	3.5	2.5	2.															

## AMEX Nationwide Trading Closing Prices Feb. 26

Tables include the nationwide prices up to the closing on Wall Street.

## 5 in Brokerage Accused by SEC

By John F. Berry  
Editor, *Business Week*

*Washington Post Service*  
NEW YORK — The Securities and Exchange Commission has accused Raymond L. Dirks, general partner of the now defunct John Muir & Co., and four others of violations of

Murr & Co., and four others of violations of the civil anti-fraud statutes.

In addition to the complaint, filed in U.S. District Court for the southern district of New York, the SEC also asked the court to enjoin the defendants from further allegedly illegal acts.

Among the allegations is that Mr. Dirks and others failed to fully disclose several questionable transactions in 1980 when Muir sold \$6 million in securities in a newly formed company.

million in securities in a newly formed company called Cayman Islands Reinsurance Corp. Muir, a once sleepy firm that Mr. Dirks turned into one of the hottest brokerages on Wall Street, collapsed last year. The commission alleges that crucial information was not disclosed in the stock offering prospectus, including the fact that one third of the proceeds from the offering was invested in speculative securities underwritten by Muir. The SEC also alleges that "the defendants' fraud in this case is continuing."

## **U.S. COMMODITY PRICES**



## High-Flying Virginia Keeps Its Tall Star Underground

By Thomas Boswell

*Washington Post Service*

CHARLOTTESVILLE, Va. — Most coaches have something up their sleeve. Not Terry Holland of Virginia. As they say here in the shadow of the Blue Ridge, "Terry's got something down his basement."

The something is really someone — Ralph Sampson.

Before Sampson arrived at the University of Virginia, Holland was a pretty smart coach. Now, he is bona fide genius.

The Cavaliers, despite losing stars Jeff Lamp and Lee Raker to graduation, have won 15 straight for a 27-1 record, and are ranked No. 1 in both wire service polls.

Virginia is almost equal parts Sampson and Holland. Now, since Sampson has made the Holland family basement his junior year residence, they're living in the same house. Sampson, of course, is the indispensable; after all, Holland lost 103 games in 10 seasons before Sampson came along. However, it's Holland's presence, his style, that gives the current Virginia mixture its piquancy.

### Slow Drawl, Fast Mind

At 39, Holland is a man at one with his place. "A small-town kid," Holland says of himself, adding that to him, Charlottesville seems as large a place as he would ever feel comfortable.

The 6-7 Holland is a study in Southern gentleness and dignity. His sentences, spoken slowly with a drawl, roll off complete with subordinate clauses, substantive moods and enough commas for a Russian novel. In everything, his penchant is for analytical thinking.

He daydreams about creating a total game-situation environment — complete with wide-screen TV, earphones, the smell of popcorn and canned crowd roars — in which a player could sit alone watching films of himself and "actually practice physically while he's mentally rehearsing as well . . .

"If you can visualize yourself in living color, then your body actually sends out nerve impulses to the muscles . . . the muscles react, they respond, they jump . . . nerve impulses follow those pathways, and the more you visualize yourself doing something correctly, the more you're reinforcing those pathways."

Holland's styled hair is heading toward pepper-and-salt — a scalp a politician might kill for. Yet Holland is as without charisma as he is as without vanity. He almost never inspires fear; even in the mists of the constant referee-nagging funks that are an ugly trademark, it's hard

to imagine that Holland could stay mad — if he's really mad at all — for long.

During games, even his strongest emotions are, likely as not, part of the game plan.

Of a coach's ingrained panic as his team blows a lead, he says, "I'm convinced to matter how you hide it, in some cases it has to come through. So the first thing you have to do is to prepare yourself for the different eventualities . . . and how you're going to cover 'em up and convince yourself that they're not disasters" so the team does not sense panic.

It charms Holland that this year's team senses his knack for psychological manipulation and works with it, like a suggestible hypnotic subject. "It's almost like they know the games that I have to play as a coach and are able to play the game, too."

Holland's trump card may be his ability to balance a coach's critical talent for tearing a game down into its component parts with a psychologist's gift for constructive prodding. Holland forced himself to stop watching game films at home with Sampson, because, he says, after one room session, his wife, Ann, told him, "I can't believe how many negative comments you make to a guy who's just played a great game."

In many ways, Holland and Sampson are one another's counterweight. Holland is a creature of attention to detail and planning. Sampson is spontaneous, creative and wonderful at postponing decisions until the last minute, then trusting intuition.

Holland, for his part, has, with the departure of his half-court-style seniors, Lamp and Raker, loosened the reins on what is now an up-tempo, sometimes slightly harum-scarum young team.

"You have to be wise enough to take your hands off . . . let 'em fly," he says. Even with Sampson's game, Holland has forced himself to let some wildness express itself in those 22-foot jumpers. Holland accepts the shots that seem "irrational" and has "learned to live with it," because "as soon as we say to him, 'Hey, get your fancy back down where it belongs,' he'll be there."

On the other hand, Sampson has improved breathtakingly under Holland's hand. From a freshman whose lack of offense had Holland "extremely concerned," Sampson has developed into the stuff of dreams. "Last year, he studied the game, worked on moves not only with the ball but without it," Holland says. "He was conscious of where the defense was, particularly as it related to him."



Ralph Sampson, right ... successful moves to the basement or the hoop.

"This year, I think he's taken it the next step [by] being conscious not only of where the defense is in relation to him but in relation to teammates, as well. Which I think all . . . really good guards do, but very few big guys do."

Nevertheless, all of Holland has not rubbed off on Sampson. "I've often said to him, 'Basketball for you should be like another class, 'cause it's your future,'" Holland says. "You should make an hour every day that you come over here and talk to the coaches." He's never been willing to go to that extreme."

Last summer, Holland says, he kept teasing the procrastinating Sampson, saying, "You know you're going to end up living in my basement. Just tell me ahead of time so we can have carpeting put in, or else you're going to live on a cement floor."

Two days before classes began, Sampson decided to become Virginia's underground man. Holland never thought he'd stay until Christmas — wouldn't want the coach knowing when he came and went.

But Sampson is still living in the basement and loving it.

"I'm a ballplayer," he said.

"Everybody's worried about money," he said. "We were raised with nothing. You get it out of the ground. Money isn't the first priority."

But after his house burned down in 1979, he said, he had to sell some of his horses.

Now he's a hitting coach, wearing the red, white and blue of the Rangers but scoffing at the idea that he is part of management. "I'm a ballplayer," he said emphatically.

Allen, who is trim and as solid as he was when he was a ball player, took batting practice Wednesday and, after a week start, hit a couple of balls into the stands. As a player he hit 351 into the stands.

"I know when I left, I could still play," he said.

But now he's a hitting coach.

"What do I know about hitting?" he said. "Be score tells you what to do. I'm no Einstein; I don't pretend to know many things. Some guys, help them with balance, timing, hand speed. They can teach me things. I don't know everything. I've got experience that you don't have. The thing that excites me is the prospect that you might find one and you play your game through him."

Although Allen was hired for spring training, the word around the Rangers is they plan to offer him a full-time job as hitting coach.

"I know he's a hitting coach," he said. "What do I know about hitting?"

Allen's family lives in eastern Pennsylvania, across the state from where he was born and raised in the little town of Wampum. Ask him where his home is and he says, "Ain't had no home. Wampum's home Box 254." More accurately, he says, "I've been roving."

Allen's primary interest in the past four years has been his thor-

oughbred horses. Some baseball people felt they were his primary interest when he played, too, and that helped create some of the problems he had. Maintaining a racing stable costs money. Was he back in baseball because he needed the paycheck?

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